IC 6

TITLE 6. TAXATION

IC 6-1

ARTICLE 1. REPEALED

(Repealed by P.L.1-1993, SEC.27.)

IC 6-1.1

ARTICLE 1.1. PROPERTY TAXES

IC 6-1.1-1

Chapter 1. General Definitions and Rules of Construction

IC 6-1.1-1-1

Applicability

Sec. 1. The definitions and rules of construction contained in this chapter apply throughout this article unless the context clearly requires otherwise.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-1.5

"Assessing official"

Sec. 1.5. (a) "Assessing official" means:

(1) a township assessor (if any);

(2) a county assessor; or

(3) a member of a county property tax assessment board of appeals.

(b) The term "assessing official" does not grant a member of the county property tax assessment board of appeals primary assessing functions except as may be granted to the member by law.

As added by P.L.41-1993, SEC.3. Amended by P.L.1-1994, SEC.24; P.L.6-1997, SEC.7; P.L.88-2005, SEC.3; P.L.146-2008, SEC.45.

IC 6-1.1-1-2

"Assessment date"

Sec. 2. "Assessment date" means the date on which tangible property is assessed and valued for purposes of collecting ad valorem property taxes imposed for that date. The term refers to the date specified in IC 6-1.1-2-1.5.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.62, SEC.1; P.L.111-2014, SEC.1.

IC 6-1.1-1-3

"Assessed value" or "assessed valuation"

Sec. 3. (a) Except as provided in subsection (b), "assessed value" or "assessed valuation" means an amount equal to:

(1) for assessment dates before March 1, 2001, thirty-three and one-third percent (33 1/3%) of the true tax value of property; and

(2) for assessment dates after February 28, 2001, the true tax value of property.

(b) For purposes of calculating a budget, rate, or levy under IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-20, IC 20-46-4, IC 20-46-5, and IC 20-46-6, "assessed value" or "assessed valuation" does not include the net assessed value of tangible property excluded and kept separately on a tax duplicate by a county auditor under IC 6-1.1-17-0.5.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.2; P.L.6-1997, SEC.6; P.L.291-2001, SEC.204; P.L.2-2006, SEC.35; P.L.146-2008, SEC.46; P.L.137-2012, SEC.12.

IC 6-1.1-1-3.5
"Base rate"

Sec. 3.5. "Base rate" means the statewide agricultural land base rate value per acre used to determine the true tax value of agricultural land under:

(1) the real property assessment guidelines of the department of local government finance; or

(2) rules or guidelines of the department of local government finance that succeed the guidelines referred to in subdivision (1).

As added by P.L.228-2005, SEC.1.

IC 6-1.1-1-3.8
"Civil taxing unit"

Sec. 3.8. "Civil taxing unit" has the meaning set forth in IC 6-1.1-18.5-1.

As added by P.L.182-2009(ss), SEC.82.

IC 6-1.1-1-4
"Common council of city" or "county council"

Sec. 4. "Common council of a city" or "county council" includes a city-county council.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-5
"Deduction"

Sec. 5. "Deduction" means a situation where a taxpayer is permitted to subtract a fixed dollar amount from the assessed value of his property.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-5.4
"Department"

Sec. 5.4. "Department" refers to the department of local government finance.

As added by P.L.182-2009(ss), SEC.83.

IC 6-1.1-1-5.5
Repealed

(Repealed by P.L.146-2008, SEC.818.)

IC 6-1.1-1-6
"Exemption"

Sec. 6. "Exemption" means a situation where a certain type of property, or the property of a certain kind of taxpayer, is not taxable under this article.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-7
"Filing date"

Sec. 7. "Filing date", for purposes of IC 6-1.1-3 and IC 6-1.1-16-1, has the meaning set forth in IC 6-1.1-3-1.5.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.111-2014, SEC.2.

IC 6-1.1-1-8
"General assessment provisions of this article"

Sec. 8. "General assessment provisions of this article" means the law contained in:

(1) chapters 3, 4, 5, 9, 11, 13, 14, 15, 16, 28, 31, and 35 of this article;

(2) sections 4, 6, 7, 8, 11, 12, and 13 of chapter 30 of this article;

(3) sections 1 through 7, inclusive, of chapter 36 of this article; and

(4) sections 2, 3, 7, 8, 9, 10.7, 11, 12, and 13 of chapter 37 of this article.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.67-2006, SEC.1.

IC 6-1.1-1-8.3
"Indiana board"

Sec. 8.3. "Indiana board" refers to the Indiana board of tax review established by IC 6-1.5-2-1.

As added by P.L.198-2001, SEC.4.

IC 6-1.1-1-8.4
"Inventory"

Sec. 8.4. (a) "Inventory" means:

(1) materials held for processing or for use in production;

(2) finished or partially finished goods of a manufacturer or processor; and

(3) property held for sale in the ordinary course of trade or business.

(b) The term includes:

(1) items that qualify as inventory under 50 IAC 4.2-5-1 (as effective December 31, 2008); and

(2) subject to subsection (c), a mobile home or manufactured home that:

(A) does not qualify as real property;

(B) is located in a mobile home community;

(C) is unoccupied; and

(D) is owned and held for sale by the owner of the mobile home community.

(c) Subsection (b)(2) applies regardless of whether the mobile home that is held for sale is new or was previously owned.

As added by P.L.146-2008, SEC.47. Amended by P.L.182-2009(ss),

SEC.84.

IC 6-1.1-1-8.5
"Key number"

Sec. 8.5. "Key number" means a number assigned to a tract of land in a county by a county auditor that:

(1) identifies the taxing district in which the tract is located;

(2) is a number that is not assigned to any other tract in the county; and

(3) is listed in the transfer book or records maintained under IC 6-1.1-5.

As added by P.L.73-1987, SEC.1.

IC 6-1.1-1-8.7
"Mobile home"

Sec. 8.7. "Mobile home" has the meaning set forth in IC 6-1.1-7-1.

As added by P.L.1-2004, SEC.3 and P.L.23-2004, SEC.3.

IC 6-1.1-1-8.8
"Mobile home community"

Sec. 8.8. "Mobile home community" has the meaning set forth in IC 16-41-27-5.

As added by P.L.113-2010, SEC.12.

IC 6-1.1-1-9
"Owner"

Sec. 9. (a) For purposes of this article, the "owner" of tangible property shall be determined by using the rules contained in this section.

(b) Except as otherwise provided in this section, the holder of the legal title to personal property, or the legal title in fee to real property, is the owner of that property.

(c) When title to tangible property passes on the assessment date of any year, only the person obtaining title is the owner of that property on the assessment date.

(d) When the mortgagee of real property is in possession of the mortgaged premises, the mortgagee is the owner of that property.

(e) When personal property is security for a debt and the debtor is in possession of the property, the debtor is the owner of that property.

(f) When a life tenant of real property is in possession of the real property, the life tenant is the owner of that property.

(g) When the grantor of a qualified personal residence trust created under United States Treasury Regulation 25.2702-5(c)(2) is:

(1) in possession of the real property transferred to the trust; and

(2) entitled to occupy the real property rent free under the terms of the trust;

the grantor is the owner of that real property.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.101-2008, SEC.1.

IC 6-1.1-1-10
"Person"

Sec. 10. "Person" includes a sole proprietorship, partnership, association, corporation, limited liability company, fiduciary, or individual.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.8-1993, SEC.74.

IC 6-1.1-1-11
"Personal property"

Sec. 11. (a) Subject to the limitation contained in subsection (b), "personal property" means:

(1) billboards and other advertising devices which are located on real property that is not owned by the owner of the devices;

(2) foundations (other than foundations which support a building or structure) on which machinery or equipment:

(A) held for sale in the ordinary course of a trade or business;

(B) held, used, or consumed in connection with the production of income; or

(C) held as an investment;

is installed;

(3) all other tangible property (other than real property) which:

(A) is being held as an investment; or

(B) is depreciable personal property; and

(4) mobile homes that do not qualify as real property and are not described in subdivision (3).

(b) Personal property does not include the following:

(1) Commercially planted and growing crops while in the ground.

(2) Computer application software.

(3) Inventory.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.41-1984, SEC.1; P.L.98-1989, SEC.3; P.L.214-2005, SEC.10; P.L.146-2008, SEC.48; P.L.131-2008, SEC.2; P.L.1-2009, SEC.26.

IC 6-1.1-1-12
"Political subdivision"

Sec. 12. "Political subdivision" means a county, township, city, town, separate municipal corporation, special taxing district, or school corporation.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-13
Repealed

(Repealed by P.L.1-1988, SEC.10.)

IC 6-1.1-1-14
"Property taxation"

Sec. 14. "Property taxation" means the taxation of property under this article.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-15
"Real property"

Sec. 15. "Real property" means:

(1) land located within this state;

(2) a building or fixture situated on land located within this state;

(3) an appurtenance to land located within this state;

(4) an estate in land located within this state, or an estate, right, or privilege in mines located on or minerals, including but not limited to oil or gas, located in the land, if the estate, right, or privilege is distinct from the ownership of the surface of the land; and

(5) notwithstanding IC 6-6-6-7, a riverboat:

(A) licensed under IC 4-33; or

(B) operated under an operating agent contract under IC 4-33-6.5;

for which the department of local government finance shall prescribe standards to be used by assessing officials.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.48, SEC.1.) As amended by P.L.25-1995, SEC.11; P.L.90-2002, SEC.20; P.L.92-2003, SEC.60; P.L.146-2008, SEC.49.

IC 6-1.1-1-16
"School corporation"

Sec. 16. "School corporation" means any public school corporation established under the laws of the state of Indiana. The term includes, but is not limited to, any school city, school town, school township, consolidated school corporation, metropolitan school district, township school corporation, county school corporation, united school corporation, and a community school corporation.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-17
"Special assessment"

Sec. 17. "Special assessment" means a ditch or drainage assessment, barrett law assessment, improvement assessment, sewer assessment, sewage assessment, or any other assessment which by law is placed on the records of the county treasurer for collection.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-18
"State agency"

Sec. 18. "State agency" means a board, commission, department, division, bureau, committee, authority, military body, college, university or other instrumentality of this state, but does not include a political subdivision or an instrumentality of a political subdivision.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-19
"Tangible property"
Sec. 19. "Tangible property" means real property and personal property as those terms are defined in this chapter.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-20
"Taxing district"
Sec. 20. "Taxing district" means a geographic area within which property is taxed by the same taxing units and at the same total rate.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-21
"Taxing unit"
Sec. 21. "Taxing unit" means an entity which has the power to impose ad valorem property taxes.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-22
Repealed
(Repealed by P.L.146-2008, SEC.818.)

IC 6-1.1-1-22.5
"Tract"
Sec. 22.5. "Tract" means any area of land that is under common ownership and is contained within a continuous border.
As added by P.L.74-1987, SEC.1.

IC 6-1.1-1-22.7
Repealed
(Repealed by P.L.146-2008, SEC.818.)

IC 6-1.1-1-23
Gender pronoun; singular nouns
Sec. 23. (a) Whenever a masculine gender pronoun is used in this article, it refers to the masculine, feminine, or neuter, whichever is appropriate.
(b) The singular form of any noun used in this article includes the plural, and the plural includes the singular, where appropriate.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-1-24
Duties of township assessor assumed by county assessor
Sec. 24. If a transfer from a township assessor to the county assessor of the assessment duties prescribed by this article results from the failure of a person elected to the office of township assessor to attain the certification of a level two assessor-appraiser as provided in IC 3-8-1-23.6, as described in IC 36-2-15-5(c), a reference to the township assessor in this article is considered to be a reference to the county assessor.

As added by P.L.219-2007, SEC.9. Amended by P.L.3-2008, SEC.32; P.L.1-2010, SEC.20.

IC 6-1.1-2

Chapter 2. Imposition of Tax

IC 6-1.1-2-0.1

Application of certain amendments to chapter

Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The amendments made to section 6 of this chapter (before its repeal) by P.L.98-1989 apply to boating years beginning after December 31, 1989.

(2) The amendments made to section 4 of this chapter by P.L.51-1997 apply only to assessment years beginning after December 31, 1997.

(3) If a court makes a final determination that the commercial vehicle excise tax, as added by P.L.181-1999 is invalid, the amendments made to section 7 of this chapter by P.L.181-1999 are void upon the exhaustion of all appeals of the court's final determination.

As added by P.L.220-2011, SEC.116.

IC 6-1.1-2-1

Property subject to tax

Sec. 1. Except as otherwise provided by law, all tangible property which is within the jurisdiction of this state on the assessment date of a year is subject to assessment and taxation for that year.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-2-1.5

Annual assessment date prescribed

Sec. 1.5. (a) Except as provided in subsection (b), the annual assessment date for tangible property is:

(1) March 1 in a year ending before January 1, 2016; and

(2) January 1 in a year beginning after December 31, 2015.

(b) This subsection applies to mobile homes (including manufactured homes) subject to assessment under IC 6-1.1-7. Mobile homes are assessed in the year following the year containing the related assessment date for other property. The annual assessment date for mobile homes is:

(1) January 15 in a year ending before January 1, 2017; and

(2) January 1 in a year beginning after December 31, 2016.

As added by P.L.111-2014, SEC.3.

IC 6-1.1-2-2

Assessment methods

Sec. 2. (a) All tangible property which is subject to assessment shall be assessed on a just valuation basis and in a uniform and equal manner.

(b) Personal property which is subject to assessment and taxation shall be assessed annually in the manner prescribed in this article.

(c) Real property which is subject to assessment and taxation shall

be assessed in the manner and at the times prescribed in this article.

(d) This section applies to assessment dates described in section 1.5(a)(2) and 1.5(b)(2) of this chapter. The true tax value of tangible property that is subject to assessment in a year shall be determined as of the assessment date in that year. Except as otherwise expressly provided by law enacted after July 1, 2014, a change in use, value, character, or ownership of tangible property after an assessment date shall not be considered in determining the true tax value of the tangible property for that assessment date.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.111-2014, SEC.4.

IC 6-1.1-2-3

Rate of tax; use of revenues

Sec. 3. The total tax rate to be imposed on each one hundred dollars ($100) of the assessed value of property shall be determined in the manner provided by law. Property tax revenues shall be used for state expenditures and for the support of the political subdivisions of this state.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-2-4

Liability for tax; assessment of improvement or appurtenance separately from land

Sec. 4. (a) The owner of any real property on the assessment date of a year is liable for the taxes imposed for that year on the property, unless a person holding, possessing, controlling, or occupying any real property on the assessment date of a year is liable for the taxes imposed for that year on the property under a memorandum of lease or other contract with the owner that is recorded with the county recorder before January 1, 1998. A person holding, possessing, controlling, or occupying any personal property on the assessment date of a year is liable for the taxes imposed for that year on the property unless:

(1) the person establishes that the property is being assessed and taxed in the name of the owner; or

(2) the owner is liable for the taxes under a contract with that person.

When a person other than the owner pays any property taxes, as required by this section, that person may recover the amount paid from the owner, unless the parties have agreed to other terms in a contract.

(b) An owner on the assessment date of a year of real property that has an improvement or appurtenance that is:

(1) assessed as real property; and

(2) owned, held, possessed, controlled, or occupied on the assessment date of a year by a person other than the owner of the land;

is jointly liable for the taxes imposed for the year on the improvement or appurtenance with the person holding, possessing, controlling, or

occupying the improvement or appurtenance on the assessment date.

(c) An improvement or appurtenance to land that, on the assessment date of a year, is held, possessed, controlled, or occupied by a different person than the owner of the land may be listed and assessed separately from the land only if the improvement or appurtenance is held, possessed, controlled, or occupied under a memorandum of lease or other contract that is recorded with the county recorder before January 1, 1998.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.63, SEC.1; P.L.51-1997, SEC.1.

IC 6-1.1-2-5

Partnership property

Sec. 5. The tangible property of a partnership shall be listed and assessed in the firm name. Each partner is jointly and severally liable for the property taxes so assessed.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-2-6

Repealed

(Repealed by P.L.1-1990, SEC.65.)

IC 6-1.1-2-7

Exempt property

Sec. 7. (a) As used in this section, "nonbusiness personal property" means personal property that is not:

(1) held for sale in the ordinary course of a trade or business;

(2) held, used, or consumed in connection with the production of income; or

(3) held as an investment.

(b) The following property is not subject to assessment and taxation under this article:

(1) A commercial vessel that is subject to the net tonnage tax imposed under IC 6-6-6.

(2) A motor vehicle that is subject to the annual license excise tax imposed under IC 6-6-5.

(3) A motorized boat or sailboat that is subject to the boat excise tax imposed under IC 6-6-11.

(4) Property used by a cemetery (as defined in IC 23-14-33-7) if the cemetery:

(A) does not have a board of directors, board of trustees, or other governing authority other than the state or a political subdivision; and

(B) has had no business transaction during the preceding calendar year.

(5) A commercial vehicle that is subject to the annual excise tax imposed under IC 6-6-5.5.

(6) Inventory.

(7) A recreational vehicle or truck camper that is subject to the annual excise tax imposed under IC 6-6-5.1.

(8) The following types of nonbusiness personal property:
(A) All-terrain vehicles.
(B) Snowmobiles.
(C) Rowboats, canoes, kayaks, and other human powered boats.
(D) Invalid chairs.
(E) Yard and garden tractors.
(F) Trailers that are not subject to an excise tax under:
(i) IC 6-6-5-5.5;
(ii) IC 6-6-5.1; or
(iii) IC 6-6-5.5.

As added by P.L.1-1990, SEC.66. Amended by P.L.52-1997, SEC.1; P.L.181-1999, SEC.1; P.L.146-2008, SEC.50; P.L.131-2008, SEC.3; P.L.1-2009, SEC.27.

IC 6-1.1-2-8

Application of P.L.6-1997; changing method of assessed valuation; tax rates, deductions, limits on indebtedness; computation of assessed value growth quotient, tax rates, other values; state board of tax commissioner duties; intent of general assembly

Sec. 8. (a) IC 6-1.1-1-3, as amended by P.L.6-1997, and all changes in tax rates, deductions, and limits on indebtedness made by P.L.6-1997 apply only to budget years and property taxes first due and payable after December 31, 2001.

(b) For the purpose of computing:
(1) the assessed value growth quotient under IC 6-1.1-18.5-2; and
(2) any other value that requires the use of an assessed value from a date before March 1, 2001;

for a budgetary appropriation, state distribution, or property tax levy first due and payable after December 31, 2001, the assessed value from a date before March 1, 2001, must first be increased from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value before the computation is made.

(c) For the purpose of computing:
(1) a tax rate under IC 6-1.1-19-1.5 (before its repeal); and
(2) any other value that requires the use of a tax rate from a date before March 1, 2001;

for a budgetary appropriation, state distribution, or property tax levy first due and payable after December 31, 2001, a tax rate from a date before January 1, 2002, must first be reduced by dividing the tax rate by three (3) before the computation is made.

(d) The state board of tax commissioners shall adjust the tax rates of all taxing units to eliminate the effects of changing assessed values from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value.

(e) If a maximum property tax rate that was enacted before 1997 is not amended by P.L.6-1997, the state board of tax commissioners shall adjust the maximum tax rate to eliminate the effects of changing

assessed values from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value.

(f) The state board of tax commissioners shall prepare the initial schedule of adjusted assessed values for all political subdivisions under IC 36-1-15, as added by P.L.6-1997, not later than July 1, 2001.

(g) It is the intent of the general assembly that all adjustments necessary to implement IC 6-1.1-1-3, as amended by P.L.6-1997, be made without raising the revenues available to governmental units more than would have occurred if P.L.6-1997 were not enacted. The state board of tax commissioners shall provide fiscal officers in the taxing units, assessing officials, and members of the board of tax adjustment with instructions on how to implement this section.

(h) If a statute that imposes an assessed value limitation on the aggregate amount of bonds that a political subdivision may issue that was enacted before 1997 is not amended by P.L.6-1997, the state board of tax commissioners shall adjust the assessed value limitation to eliminate the effects of changing assessed values from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value.

(i) The state board of tax commissioners shall, if necessary to protect owners of bonds payable in whole or in part from tax increment, adjust the base assessed value to neutralize the effect of changing assessed values under P.L.6-1997 from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value under the following statutes:

(1) IC 6-1.1-39.
(2) IC 8-22-3.5.
(3) IC 36-7-14.
(4) IC 36-7-14.5.
(5) IC 36-7-15.1.
(6) IC 36-7-30.

As added by P.L.220-2011, SEC.117.

IC 6-1.1-2-10

Legalization of certain actions of department before November 21, 2007; validation of certain local government actions

Sec. 10. (a) Any action taken by the department of local government finance before November 21, 2007, to do any of the following with respect to property taxes first due and payable in 2007 in any county is legalized and validated:

(1) Halt billing and collection.
(2) Invalidate the certification under IC 6-1.1-17-16(f) of the department's actions concerning budgets, rates, and levies.
(3) Revise and reissue certifications referred to in subdivision (2).
(4) Require the preparation and delivery under IC 6-1.1-22-5 of an abstract that is based on the assessed values determined in a

reassessment:

(A) performed by; or

(B) ordered by;

the department of local government finance under IC 6-1.1-4 or IC 6-1.1-14.

(5) Allow payments of installments on dates and in amounts different from the dates and amounts that applied in an earlier issuance of tax statements by the county.

(6) Allow the issuance of reconciling property tax statements to reconcile the payment of different amounts referred to in subdivision (5) as compared to the amounts finally determined to be due and payable.

(7) Waive all or part of a penalty under IC 6-1.1-37-10.

(b) The department of local government finance may take any action listed in subsection (a) on or after November 21, 2007, with respect to property taxes first due and payable in 2007 in any county.

(c) Any action taken before November 21, 2007, by a unit of local government or a public official on behalf of a unit of local government that:

(1) is in response to; and

(2) is consistent with;

an action of the department of local government finance referred to in subsection (a) is legalized and validated.

(d) A unit of local government or a public official on behalf of a unit of local government may take any action on or after November 21, 2007, that:

(1) is in response to; and

(2) is consistent with;

an action of the department of local government finance referred to in subsection (a) or (b).

As added by P.L.220-2011, SEC.118.

IC 6-1.1-3

Chapter 3. Procedures for Personal Property Assessment

IC 6-1.1-3-1

Residents and nonresidents; place of assessment; evidence of filing

Sec. 1. (a) Except as provided in subsection (c), personal property which is owned by a person who is a resident of this state shall be assessed at the place where the owner resides on the assessment date of the year for which the assessment is made.

(b) Except as provided in subsection (c), personal property which is owned by a person who is not a resident of this state shall be assessed at the place where the owner's principal office within this state is located on the assessment date of the year for which the assessment is made.

(c) Personal property shall be assessed at the place where it is situated on the assessment date of the year for which the assessment is made if the property is:

(1) regularly used or permanently located where it is situated; or

(2) owned by a nonresident who does not have a principal office within this state.

(d) If a personal property return is filed pursuant to subsection (c), the owner of the property shall provide, within forty-five (45) days after the filing deadline, a copy or other written evidence of the filing of the return to the assessor of the township in which the owner resides or to the county assessor if there is no township assessor for the township. If such evidence is not filed within forty-five (45) days after the filing deadline, the township or county assessor for the area where the owner resides shall determine if the owner filed a personal property return in the township or county where the property is situated. If such a return was filed, the property shall be assessed where it is situated. If such a return was not filed, the township or county assessor for the area where the owner resides shall notify the assessor of the township or county where the property is situated, and the property shall be assessed where it is situated. This subsection does not apply to a taxpayer who:

(1) is required to file duplicate personal property returns under section 7(c) of this chapter and under regulations promulgated by the department of local government finance with respect to that section; or

(2) is required by the department of local government finance to file a summary of the taxpayer's business tangible personal property returns.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.48, SEC.1; Acts 1980, P.L.35, SEC.1; P.L.2-1998, SEC.14; P.L.90-2002, SEC.21; P.L.74-2003, SEC.1; P.L.146-2008, SEC.51.

IC 6-1.1-3-1.5

"Filing date"

Sec. 1.5. As used in this chapter, "filing date" refers to the day in

a year on which a personal property tax return is due for a particular assessment date in that year (disregarding any extension period that may be granted for the filing of the return and any period in which an amended return may be filed). The filing date is May 15.
As added by P.L.111-2014, SEC.5.

IC 6-1.1-3-2
Property held by trustee, party, or receiver

Sec. 2. If residence determines the place of assessment of personal property and the property is held by a trustee, guardian, or receiver, the residence of the trustee, guardian, or receiver is the place of assessment.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-3-3
Estate of deceased individuals

Sec. 3. If residence determines the place of assessment of personal property which is part of the estate of a deceased individual, the residence of the decedent immediately before his death is the place of assessment until the property is distributed to the heirs or other persons entitled to it.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-3-4
Conflicts involving assessment location; settlement

Sec. 4. (a) If a question arises as to the proper place to assess personal property, the county assessor shall determine the place if:

(1) two (2) or more townships in the county are served by township assessors and the conflict involves two (2) or more of those townships; or

(2) the conflict does not involve any other county and none of the townships in the county is served by a township assessor.

If the conflict involves different counties, the department of local government finance shall determine the proper place of assessment.

(b) A determination made under this section by the department of local government finance is final.

(c) If taxes are paid to a county which is not entitled to collect them, the department of local government finance may direct the authorities of the county which wrongfully collected the taxes to refund the taxes collected and any penalties charged on the taxes.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.5-1988, SEC.41; P.L.90-2002, SEC.22; P.L.146-2008, SEC.52.

IC 6-1.1-3-5
Assessment books and blanks; delivery

Sec. 5. Before the assessment date of each year, the county auditor shall deliver to each township assessor (if any) and the county assessor the proper assessment books and necessary blanks for the listing and assessment of personal property.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008,

SEC.53.

IC 6-1.1-3-6
Return; furnishing to taxpayer

Sec. 6. Between the assessment date and the filing date of each year, the appropriate township assessor, or the county assessor if there is no township assessor for the township, shall furnish each person whose personal property is subject to assessment for that year with a personal property return.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1995, SEC.19; P.L.146-2008, SEC.54.

IC 6-1.1-3-7
Filing returns; extension of time; consolidated returns

Sec. 7. (a) Except as provided in subsections (b) and (d), a taxpayer shall, on or before the filing date of each year, file a personal property return with:

(1) the assessor of each township in which the taxpayer's personal property is subject to assessment; or

(2) the county assessor if there is no township assessor for a township in which the taxpayer's personal property is subject to assessment.

(b) The township assessor or county assessor may grant a taxpayer an extension of not more than thirty (30) days to file the taxpayer's return if:

(1) the taxpayer submits a written application for an extension prior to the filing date; and

(2) the taxpayer is prevented from filing a timely return because of sickness, absence from the county, or any other good and sufficient reason.

(c) If the sum of the assessed values reported by a taxpayer on the business personal property returns which the taxpayer files with the township assessor or county assessor for a year exceeds one hundred fifty thousand dollars ($150,000), the taxpayer shall file each of the returns in duplicate.

(d) If:

(1) a taxpayer has personal property subject to assessment in more than one (1) township in a county; and

(2) the total assessed value of the personal property in the county is less than one million five hundred thousand dollars ($1,500,000);

the taxpayer filing a return shall file a single return with the county assessor and attach a schedule listing, by township, all the taxpayer's personal property and the property's assessed value. The taxpayer shall provide the county assessor with the information necessary for the county assessor to allocate the assessed value of the taxpayer's personal property among the townships listed on the return, including the street address, the township, and the location of the property.

(e) The county assessor shall provide to each affected township assessor (if any) in the county all information filed by a taxpayer

under subsection (d) that affects the township.

(f) The county assessor may refuse to accept a personal property tax return that does not comply with subsection (d). For purposes of IC 6-1.1-37-7, a return to which subsection (d) applies is filed on the date it is filed with the county assessor with the schedule required by subsection (d) attached.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.61-1983, SEC.1; P.L.56-1985, SEC.1; P.L.54-1991, SEC.1; P.L.41-1993, SEC.4; P.L.25-1995, SEC.12; P.L.6-1997, SEC.9; P.L.198-2001, SEC.5; P.L.146-2008, SEC.55.

IC 6-1.1-3-7.2

County option exemption for certain business personal property with acquisition cost less than $20,000; exemption ordinance; certification

Effective 7-1-2015.

Sec. 7.2. (a) This section applies in a county in which an exemption ordinance adopted under this section is in effect in the county for those assessment dates occurring:

(1) after the later of:

(A) December 31, 2015; or

(B) the date on which the ordinance is adopted; and

(2) before the ordinance is rescinded.

(b) As used in this section, "affiliate" means an entity that effectively controls or is controlled by a taxpayer or is associated with a taxpayer under common ownership or control, whether by shareholdings or other means.

(c) As used in this section, "business personal property" means personal property that:

(1) is otherwise subject to assessment and taxation under this article;

(2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income; and

(3) was:

(A) acquired by the taxpayer in an arms length transaction from an entity that is not an affiliate of the taxpayer, if the personal property has been previously used in Indiana before being placed in service in the county; or

(B) acquired in any manner, if the personal property has never been previously used in Indiana before being placed in service in the county.

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (3), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications

service provider is subject to regulation by the Indiana utility regulatory commission.

(d) As used in this section, "county income tax council" refers to the county income tax council established by IC 6-3.5-6-2 for a county.

(e) As used in this section, "exemption ordinance" refers to an ordinance adopted under subsection (f) by a county income tax council.

(f) The county income tax council may by a majority vote of the total votes allocated to the county income tax council adopt an ordinance to have the exemption under this section apply throughout the county.

(g) For purposes of adopting an exemption ordinance under this section, a county income tax council is comprised of the same members as the county income tax council that is established by IC 6-3.5-6-2 for the county, regardless of whether a county income tax is in effect in the county and regardless of which county income tax is in effect in the county. Except as otherwise provided in this section, the county income tax council shall use the same procedures that apply under IC 6-3.5-6 when acting under this section.

(h) Before adopting an exemption ordinance under this section, a county income tax council must conduct a public hearing on the proposed exemption ordinance. The county income tax council must publish notice of the public hearing in accordance with IC 5-3-1.

(i) The county income tax council shall provide a certified copy of an adopted exemption ordinance to the department of local government finance and the county auditor.

(j) Notwithstanding section 7 of this chapter, if:

(1) a county income tax council has adopted an exemption ordinance and this section applies to a county for a particular assessment date; and

(2) the acquisition cost of a taxpayer's business personal property in a county is less than twenty thousand dollars ($20,000) for that assessment date;

the taxpayer's business personal property in the county for that assessment date is exempt from taxation.

(k) A taxpayer that is eligible for the exemption under this section is not required to file a personal property return for the taxpayer's business personal property in the county for that assessment date. However, the taxpayer must, before May 15 of the calendar year in which the assessment date occurs, file with the county assessor an annual certification stating that the taxpayer's business personal property in the county is exempt from taxation under this section for that assessment date.

As added by P.L.80-2014, SEC.1.

IC 6-1.1-3-7.5

Amended returns; tax adjustments; credits

Sec. 7.5. (a) A taxpayer may file an amended personal property tax return, in conformity with the rules adopted by the department of

local government finance, not more than six (6) months, if the filing date for the original personal property tax return is before May 15, 2011, or twelve (12) months, if the filing date for the original personal property tax return is after May 14, 2011, after the later of the following:

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

(2) The extension date for the original personal property tax return, if the taxpayer is granted an extension under section 7 of this chapter.

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

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

(d) Notwithstanding any other provision, if:

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

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

the taxpayer is not entitled to interest on the refund.

(e) If a taxpayer files an amended personal property tax return for an assessment date in a year, the taxpayer shall pay taxes payable in the immediately succeeding year based on the assessed value reported on the amended return as follows:

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

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

(f) If a taxpayer files an amended personal property tax return for an assessment date in a year after July 15 of that year for an assessment date in a year ending before January 1, 2016, and after April 1 of that year for an assessment date in a year beginning after December 31, 2015, the taxpayer shall pay taxes payable in the immediately succeeding year based on the assessed value reported on

the taxpayer's original personal property tax return. Subject to subsection (l), a taxpayer that paid taxes under this subsection is entitled to a credit in the amount of taxes paid by the taxpayer on the remainder of:

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

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

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

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

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

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

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

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

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

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

(2) a refund under subsection (h).

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

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

(l) If a person:

(1) files an amended personal property tax return more than six

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

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

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

As added by P.L.6-1997, SEC.8. Amended by P.L.198-2001, SEC.6; P.L.90-2002, SEC.23; P.L.172-2011, SEC.26; P.L.111-2014, SEC.6.

IC 6-1.1-3-8

Vending machine owners

Sec. 8. (a) The owner of a vending machine shall place on the face of the machine an identificatiion device which accurately reveals the owner's name and address, and he shall include the machine in his annual personal property return.

(b) For purposes of this section, the term "vending machine" means a machine which dispenses goods, wares, or merchandise when a coin is deposited in it and which by automatic action can physically deliver goods, wares, or merchandise to the depositor of the coin.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-3-9

Return; necessary information

Sec. 9. (a) In completing a personal property return for a year, a taxpayer shall make a complete disclosure of all information required by the department of local government finance that is related to the value, nature, or location of personal property:

(1) that the taxpayer owned on the assessment date of that year; or

(2) that the taxpayer held, possessed, or controlled on the assessment date of that year.

(b) The taxpayer shall certify to the truth of:

(1) all information appearing in a personal property return; and

(2) all data accompanying the return.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.24.

IC 6-1.1-3-10

Property located in two or more townships or taxing districts; additional or separate returns

Sec. 10. (a) If a taxpayer owns, holds, possesses, or controls personal property which is located in two (2) or more townships, the taxpayer shall file any additional returns with the county assessor which the department of local government finance may require by regulation.

(b) If a taxpayer owns, holds, possesses, or controls personal

property which is located in two (2) or more taxing districts within the same township, the taxpayer shall file a separate personal property return covering the property in each taxing district.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.25; P.L.219-2007, SEC.10.

IC 6-1.1-3-11
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-3-12
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-3-13
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-3-14
Verification of returns
Sec. 14. The township assessor, or the county assessor if there is no township assessor for the township, shall:
(1) examine and verify; or
(2) allow a contractor under IC 6-1.1-36-12 to examine and verify;
the accuracy of each personal property return filed with the township or county assessor by a taxpayer. If appropriate, the assessor or contractor under IC 6-1.1-36-12 shall compare a return with the books of the taxpayer and with personal property owned, held, possessed, controlled, or occupied by the taxpayer.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.178-2002, SEC.4; P.L.146-2008, SEC.56.

IC 6-1.1-3-15
Failure to file return; alternative assessment procedures; election to file
Sec. 15. (a) In connection with the activities required by section 14 of this chapter, or if a person owning, holding, possessing, or controlling any personal property fails to file a personal property return with the township or county assessor as required by this chapter, the township or county assessor may examine:
(1) the personal property of the person;
(2) the books and records of the person; and
(3) under oath, the person or any other person whom the assessor believes has knowledge of the amount, identity, or value of the personal property reported or not reported by the person on a return.
(b) After such an examination, the assessor shall assess the personal property to the person owning, holding, possessing, or controlling that property.

(c) As an alternative to such an examination, the township or county assessor may estimate the value of the personal property of the taxpayer and shall assess the person owning, holding, possessing, or controlling the property in an amount based upon the estimate. Upon receiving a notification of estimated value from the township or county assessor, the taxpayer may elect to file a personal property return, subject to the penalties imposed by IC 6-1.1-37-7.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.63, SEC.1; P.L.57-1985, SEC.1; P.L.146-2008, SEC.57.

IC 6-1.1-3-16
Property converted for tax avoidance; assessment

Sec. 16. If, from the evidence before a township or county assessor, the assessor determines that a person has temporarily converted any part of the person's personal property into property which is not taxable under this article to avoid the payment of taxes on the converted property, the township or county assessor shall assess the converted property to the taxpayer.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.58.

IC 6-1.1-3-17
Assessment list; certification to county auditor

Sec. 17. (a) On or before June 1 of each year, each township assessor (if any) of a county shall deliver to the county assessor a list which states by taxing district the total of the personal property assessments as shown on the personal property returns filed with the township assessor on or before the filing date of that year and in a county with a township assessor under IC 36-6-5-1 in every township the township assessor shall deliver the lists to the county auditor as prescribed in subsection (b).

(b) On or before July 1 of each year that ends before January 1, 2017, and on or before June 15 of each year that begins after December 31, 2016, each county assessor shall certify to the county auditor the assessment value of the personal property in every taxing district.

(c) The department of local government finance shall prescribe the forms required by this section.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.10; P.L.90-2002, SEC.28; P.L.146-2008, SEC.59; P.L.111-2014, SEC.7.

IC 6-1.1-3-18
Reports to county assessors and auditors; copies of returns

Sec. 18. (a) Each township assessor of a county (if any) shall periodically report to the county assessor and the county auditor with respect to the returns and properties of taxpayers which the township assessor has examined. The township assessor shall submit these reports in the form and on the dates prescribed by the department of local government finance.

(b) Each year, the county assessor:

(1) shall review and may audit the business personal property returns that the taxpayer is required to file in duplicate under section 7(c) of this chapter; and

(2) shall determine the returns in which the assessment appears to be improper.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1998, SEC.15; P.L.90-2002, SEC.29; P.L.219-2007, SEC.11; P.L.146-2008, SEC.60.

IC 6-1.1-3-19

Information available to county assessor and county property tax assessment board of appeals

Sec. 19. (a) While a county property tax assessment board of appeals is in session, each township assessor of the county (if any) shall make the following information available to the county assessor and the board:

(1) Personal property returns.

(2) Documents related to the returns.

(3) Any information in the possession of the township assessor that is related to the identity of the owners or possessors of property or the values of property.

(b) Upon written request of the board, the township assessor shall furnish information referred to in subsection (a) to any member of the board either directly or through employees of the board.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.11; P.L.146-2008, SEC.61.

IC 6-1.1-3-20

Change in valuation; notice

Sec. 20. If an assessing official changes a valuation made by a person on the person's personal property return or adds personal property and its value to a return, the assessing official shall, by mail, immediately give the person notice of the action taken. However, if a taxpayer lists property on the taxpayer's return but does not place a value on the property, a notice of the action of an assessing official in placing a value on the property is not required.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.62.

IC 6-1.1-3-21

Preservation of records; inspection

Sec. 21. Subject to the limitations in IC 6-1.1-35-9, assessment returns, lists, and any other documents and information related to the determination of personal property assessments shall be preserved as public records and open to public inspection. The township assessor, or the county assessor if there is no township assessor for the township, shall preserve and maintain these records.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.12; P.L.146-2008, SEC.63.

IC 6-1.1-3-22

Reinstatement of personal property rules; prohibition against amendment of certain rules for department of local government finance

Sec. 22. (a) Except to the extent that it conflicts with a statute and subject to subsection (f), 50 IAC 4.2 (as in effect January 1, 2001), which was formerly incorporated by reference into this section, is reinstated as a rule.

(b) Tangible personal property within the scope of 50 IAC 4.2 (as in effect January 1, 2001) shall be assessed on the assessment dates in calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as in effect January 1, 2001).

(c) The publisher of the Indiana Administrative Code shall publish 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative Code.

(d) 50 IAC 4.3 and any other rule to the extent that it conflicts with this section is void.

(e) A reference in 50 IAC 4.2 to a governmental entity that has been terminated or a statute that has been repealed or amended shall be treated as a reference to its successor.

(f) The department of local government finance may not amend or repeal the following (all as in effect January 1, 2001):

(1) 50 IAC 4.2-4-3(f).
(2) 50 IAC 4.2-4-7.
(3) 50 IAC 4.2-4-9.
(4) 50 IAC 4.2-5-7.
(5) 50 IAC 4.2-5-13.
(6) 50 IAC 4.2-6-1.
(7) 50 IAC 4.2-6-2.
(8) 50 IAC 4.2-8-9.

As added by P.L.192-2002(ss), SEC.28. Amended by P.L.245-2003, SEC.2.

IC 6-1.1-3-23

General assembly findings; election of valuation method for special integrated steel mill or oil refinery; petrochemical equipment

Sec. 23. (a) In enacting this section, the general assembly finds the following:

(1) The economy of northern Indiana has historically been heavily dependent upon:
  (A) the domestic steel industry, particularly the integrated steel mill business, which produces steel from basic raw materials through blast furnace and related operations; and
  (B) the oil refining and petrochemical industry.
(2) Northern Indiana is the only area of Indiana with integrated steelmaking facilities.
(3) During the last thirty (30) years, the domestic steel industry has experienced significant financial difficulties. More than one-half (1/2) of the integrated steel mills in the United States were shut down or deintegrated, with the remainder requiring

significant investment and the addition of new processes to make the facilities economically competitive with newer foreign and domestic steelmaking facilities and processes.

(4) The United States needs to protect the capacity of the oil refining and petrochemical industry. No oil refineries have been built in the United States since 1976.

(5) Given the economic conditions affecting older integrated steelmaking facilities, integrated steel mills claimed abnormal obsolescence in reporting the assessed value of equipment located at the integrated steelmaking facilities that began operations before 1970, thereby reporting the equipment's assessed value at far below thirty percent (30%) of the equipment's total cost (far below the "thirty percent (30%) floor" value generally applicable to equipment exhibiting only normal obsolescence under the current department of local government finance rules).

(6) Current law existing before January 1, 2003, obligates the taxpayers making abnormal obsolescence claims to pay personal property taxes based only on, and permits communities to determine property tax budgets and rates based only on, the reported personal property assessed values until the personal property appeals are resolved. Consequently, as a result of abnormal obsolescence claims, the property tax base of communities in northern Indiana is severely reduced for an indeterminate period (if not permanently). The prospect of future appeals and their attendant problems on an ongoing basis must be addressed.

(7) A new, optional method for valuing the equipment of integrated steel mills and entities that are at least fifty percent (50%) owned by an affiliate of an integrated steel mill ("related entities") and the oil refining and petrochemical industry in northern Indiana is needed. That optional method:

(A) recognizes the loss of value and difficulty in valuing equipment at integrated steelmaking facilities and facilities of the oil refining and petrochemical industry that commenced operations decades ago and at the facilities of related entities;

(B) recognizes that depreciable personal property used in integrated steelmaking and in oil refinery or petrochemical operations and by related entities is affected by different economic and market forces than depreciable personal property used in other industries and certain other segments of the steel industry and therefore experiences different amounts of obsolescence and depreciation; and

(C) can be used to simply and efficiently arrive at a value commensurate with that property's age, use, obsolescence, and market circumstances instead of the current method and its potentially contentious and lengthy appeals. Such an optional method would benefit the communities where these older facilities are located.

(8) Such an optional method would be to authorize a fifth pool in the depreciation schedule for valuing the equipment of integrated steel mills, related entities, and the oil refining and petrochemical industry that reflects all adjustments to the value of that equipment for depreciation and obsolescence, including abnormal obsolescence, which precludes any taxpayer electing such a method from taking any other obsolescence adjustment for the equipment, and which applies only at the election of the taxpayer.

(9) The purpose for authorizing the Pool 5 method is to provide a more simplified and efficient method for valuing the equipment of integrated steel mills and the oil refining and petrochemical industry that recognizes the loss of value and unusual problems associated with the valuation of the equipment or facilities that began operations before 1970 in those industries in northern Indiana, as well as for valuing the equipment of related entities, to stabilize local property tax revenue by eliminating the need for abnormal obsolescence claims, and to encourage those industries to continue to invest in northern Indiana, thereby contributing to the economic life and well-being of communities in northern Indiana, the residents of northern Indiana, and Indiana generally.

(10) The specific circumstances described in this section do not exist throughout the rest of Indiana.

(b) For purposes of this section:

(1) "adjusted cost" refers to the adjusted cost established in 50 IAC 4.2-4-4 (as in effect on January 1, 2003);

(2) "depreciable personal property" has the meaning set forth in 50 IAC 4.2-4-1 (as in effect on January 1, 2003);

(3) "integrated steel mill" means a person, including a subsidiary of a corporation, that produces steel by processing iron ore and other raw materials in a blast furnace in Indiana;

(4) "oil refinery/petrochemical company" means a person that produces a variety of petroleum products by processing an annual average of at least one hundred thousand (100,000) barrels of crude oil per day;

(5) "permanently retired depreciable personal property" has the meaning set forth in 50 IAC 4.2-4-3 (as in effect on January 1, 2003);

(6) "pool" refers to a pool established in 50 IAC 4.2-4-5(a) (as in effect on January 1, 2003);

(7) "special integrated steel mill or oil refinery/petrochemical equipment" means depreciable personal property, other than special tools and permanently retired depreciable personal property:

(A) that:

(i) is owned, leased, or used by an integrated steel mill or an entity that is at least fifty percent (50%) owned by an affiliate of an integrated steel mill; and

(ii) falls within Asset Class 33.4 as set forth in IRS Rev.

Proc. 87-56, 1987-2, C.B. 647; or

(B) that:

(i) is owned, leased, or used as an integrated part of an oil refinery/petrochemical company or its affiliate; and

(ii) falls within Asset Class 13.3 or 28.0 as set forth in IRS Rev. Proc. 87-56, 1987-2, C.B. 647;

(8) "special tools" has the meaning set forth in 50 IAC 4.2-6-2 (as in effect on January 1, 2003); and

(9) "year of acquisition" refers to the year of acquisition determined under 50 IAC 4.2-4-6 (as in effect on January 1, 2003).

(c) Notwithstanding 50 IAC 4.2-4-4, 50 IAC 4.2-4-6, and 50 IAC 4.2-4-7, a taxpayer may elect to calculate the true tax value of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment by multiplying the adjusted cost of that equipment by the percentage set forth in the following table:

Year of Acquisition	Percentage
1	40%
2	56%
3	42%
4	32%
5	24%
6	18%
7	15%
8 and older	10%

(d) The department of local government finance shall designate the table under subsection (c) as "Pool No. 5" on the business personal property tax return.

(e) The percentage factors in the table under subsection (c) automatically reflect all adjustments for depreciation and obsolescence, including abnormal obsolescence, for special integrated steel mill or oil refinery/petrochemical equipment. The equipment is entitled to all exemptions, credits, and deductions for which it qualifies.

(f) The minimum valuation limitations under 50 IAC 4.2-4-9 do not apply to special integrated steel mill or oil refinery/petrochemical equipment valued under this section. The value of the equipment is not included in the calculation of that minimum valuation limitation for the taxpayer's other assessable depreciable personal property in the taxing district.

(g) An election to value special integrated steel mill or oil refinery/petrochemical equipment under this section:

(1) must be made by reporting the equipment under this section on a business personal property tax return;

(2) applies to all of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment located in the state (whether owned or leased, or used as an integrated part of the equipment); and

(3) is binding on the taxpayer for the assessment date for which the election is made.

The department of local government finance shall prescribe the forms to make the election beginning with the March 1, 2003, assessment date. Any special integrated steel mill or oil refinery/petrochemical equipment acquired by a taxpayer that has made an election under this section is valued under this section.

(h) If fifty percent (50%) or more of the adjusted cost of a taxpayer's property that would, notwithstanding this section, be reported in a pool other than Pool No. 5 is attributable to special integrated steel mill or oil refinery/petrochemical equipment, the taxpayer may elect to calculate the true tax value of all of that property as special integrated steel mill or oil refinery/petrochemical equipment. The true tax value of property for which an election is made under this subsection is calculated under subsections (c) through (g).

As added by P.L.120-2003, SEC.1. Amended by P.L.228-2005, SEC.2; P.L.246-2005, SEC.59; P.L.220-2011, SEC.119.

IC 6-1.1-3-24

Valuation; outdoor advertising signs

Sec. 24. (a) In determining the assessed value of various sizes of outdoor advertising signs for the 2011 through 2016 assessment dates, a taxpayer and assessing official shall use the following table without any adjustments:

Single Pole Structure

Type of Sign	Value Per Structure
At least 48 feet, illuminated	$5,000
At least 48 feet, non-illuminated	$4,000
At least 26 feet and under 48 feet, illuminated	$4,000
At least 26 feet and under 48 feet, non-illuminated	$3,300
Under 26 feet, illuminated	$3,200
Under 26 feet, non-illuminated	$2,600
Other Types of Outdoor Signs	
At least 50 feet, illuminated	$2,500
At least 50 feet, non-illuminated	$1,500
At least 40 feet and under 50 feet, illuminated	$2,000
At least 40 feet and under 50 feet, non-illuminated	$1,300
At least 30 feet and under 40 feet, illuminated	$2,000
At least 30 feet and under 40 feet, non-illuminated	$1,300
At least 20 feet and under 30 feet, illuminated	$1,600
At least 20 feet and under 30 feet, non-illuminated	$1,000
Under 20 feet, illuminated	$1,600
Under 20 feet, non-illuminated	$1,000

(b) This section expires July 1, 2017.

As added by P.L.137-2012, SEC.13. Amended by P.L.257-2013, SEC.2.

IC 6-1.1-4

Chapter 4. Procedures for Real Property Assessment

IC 6-1.1-4-1

Place of assessment; person liable

Sec. 1. Real property shall be assessed at the place where it is situated, and it shall be assessed to the person liable for the taxes under IC 1971, 6-1.1-2-4.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-4-2

Assessment of property held by fiduciary

Sec. 2. Real property which is controlled by an executor, administrator, guardian, trustee, or receiver shall be assessed to the executor, administrator, guardian, trustee, or receiver.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-4-3

Heirs or devisees; assessment

Sec. 3. (a) The undivided real property of a deceased person which is not under the control of an executor or administrator may be assessed to the decedent's heirs or devisees without designating the heirs or devisees by name. The real property may be assessed in this manner until notice of:

(1) the division of the property;

(2) the names of the heirs or devisees; and

(3) the portion of the property belonging to each heir or devisee;

is given to the auditor of the county or counties in which the real property is situated.

(b) Each heir or devisee is liable for the total taxes imposed on the undivided real property of a decedent. If an heir or devisee pays the total taxes, he may recover from each other heir or devisee:

(1) the other heir's or devisee's share of the total taxes; and

(2) interest on the amount referred to in clause (1) of this subsection.

In addition, the heir or devisee who pays the taxes acquires the lien for the taxes paid on the property interest of the other heirs or devisees.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.5.

IC 6-1.1-4-4

Schedule of general reassessment of real property; notice to assessing officials; assessed value based on estimated true tax value

Sec. 4. (a) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2010. The reassessment under this subsection:

(1) shall be completed on or before March 1 of the year that succeeds by two (2) years the year in which the general reassessment begins; and

(2) shall be the basis for taxes payable in the year following the year in which the general assessment is to be completed.

(b) In order to ensure that assessing officials are prepared for a general reassessment of real property, the department of local government finance shall give adequate advance notice of the general reassessment to the assessing officials of each county.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.32, SEC.4; Acts 1980, P.L.36, SEC.1; P.L.62-1983, SEC.1; P.L.332-1989(ss), SEC.3; P.L.6-1997, SEC.13; P.L.198-2001, SEC.7; P.L.90-2002, SEC.30; P.L.245-2003, SEC.3; P.L.228-2005, SEC.3; P.L.146-2008, SEC.64; P.L.136-2009, SEC.1; P.L.182-2009(ss), SEC.85; P.L.112-2012, SEC.1.

IC 6-1.1-4-4.2

County reassessment plan; approval by department of local government finance

Sec. 4.2. (a) The county assessor of each county shall, before July 1, 2013, and before May 1 of every fourth year thereafter, prepare and submit to the department of local government finance a reassessment plan for the county. The following apply to a reassessment plan prepared and submitted under this section:

(1) The reassessment plan is subject to approval by the department of local government finance. The department of local government finance shall complete its review and approval of the reassessment plan before:

(A) March 1, 2015; and

(B) January 1 of each subsequent year that follows a year in which the reassessment plan is submitted by the county.

(2) The department of local government finance shall determine the classes of real property to be used for purposes of this section.

(3) Except as provided in subsection (b), the reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county.

(4) Except as provided in subsection (b), all real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle.

(5) The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year.

(6) The reassessment of parcels:

(A) must include a physical inspection of each parcel of real property in the group of parcels that is being reassessed; and

(B) shall be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins.

(7) For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be

completed.

(8) The reassessment plan must specify the dates by which the assessor must submit land values under section 13.6 of this chapter to the county property tax assessment board of appeals.

(9) Subject to review and approval by the department of local government finance, the county assessor may modify the reassessment plan.

(b) A county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each reassessment cycle.

(c) The reassessment of the first group of parcels under a county's reassessment plan shall begin on July 1, 2014, and shall be completed on or before January 1, 2015.

(d) The department of local government finance may adopt rules to govern the reassessment of property under county reassessment plans.

As added by P.L.112-2012, SEC.2. Amended by P.L.111-2014, SEC.8.

IC 6-1.1-4-4.3
Repealed

(Repealed by P.L.97-2014, SEC.1.)

IC 6-1.1-4-4.4
Documentation of change in assessment method; burden of proof of validity of change

Sec. 4.4. (a) This section applies to an assessment under section 4 or 4.5 of this chapter or another law.

(b) If the assessor changes the underlying parcel characteristics, including age, grade, or condition, of a property, from the previous year's assessment date, the assessor shall document:

(1) each change; and

(2) the reason that each change was made.

In any appeal of the assessment, the assessor has the burden of proving that each change was valid.

As added by P.L.113-2010, SEC.13.

IC 6-1.1-4-4.5
Annual adjustment of assessed value of real property; state review and certification; base rate methodology; adjustment in assessed value based on estimated true tax value

Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a reassessment under section 4 or 4.2 of this chapter for the property last took effect.

(b) Subject to subsection (e), the system must be applied to adjust assessed values beginning with the 2006 assessment date and each year thereafter that is not a year in which a reassessment under section 4 or 4.2 of this chapter for the property becomes effective.

(c) The rules adopted under subsection (a) must include the following characteristics in the system:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) Require that assessing officials:

(A) reevaluate the factors that affect value;

(B) express the interactions of those factors mathematically;

(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and

(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.

(3) Prescribe procedures that permit the application of the adjustment percentages in an efficient manner by assessing officials.

(d) The department of local government finance must review and certify each annual adjustment determined under this section.

(e) In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (c) for current property taxes first due and payable in 2011 and thereafter, the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to:

(1) use a six (6) year rolling average adjusted under subdivision

(2) instead of a four (4) year rolling average; and

(2) eliminate in the calculation of the rolling average the year among the six (6) years for which the highest market value in use of agricultural land is determined.

(f) For assessment dates after December 31, 2009, an adjustment in the assessed value of real property under this section shall be based on the estimated true tax value of the property on the assessment date that is the basis for taxes payable on that real property.

As added by P.L.198-2001, SEC.8. Amended by P.L.245-2003, SEC.4; P.L.228-2005, SEC.4; P.L.136-2009, SEC.2; P.L.112-2010, SEC.1; P.L.112-2012, SEC.3.

IC 6-1.1-4-4.6

Department of local government finance setting of annual adjustment factors if county assessor fails to set; equalization of factors; notice and hearing; applicability

Sec. 4.6. (a) If a county assessor fails before July 2 of a particular year that ends before January 1, 2016, and before June 2 of a particular year that begins after December 31, 2015, for which an adjustment to the assessed value of real property applies under

section 4.5 of this chapter to prepare and deliver to the county auditor a complete detailed list of all of the real property listed for taxation in the county as required by IC 6-1.1-5-14 and at least one hundred eighty (180) days have elapsed after the deadline specified in IC 6-1.1-5-14 for the county assessor to deliver the list, the department of local government finance may develop annual adjustment factors under this section for that year. In developing annual adjustment factors under this section, the department of local government finance shall use data in its possession that is obtained from:

(1) the county assessor; or

(2) any of the sources listed in the rule, including county or state sales data, government studies, ratio studies, cost and depreciation tables, and other market analyses.

(b) Using the data described in subsection (a), the department of local government finance shall propose to establish annual adjustment factors for the affected tax districts for one (1) or more of the classes of real property. The proposal may provide for the equalization of annual adjustment factors in the affected township or county and in adjacent areas. The department of local government finance shall issue notice and provide opportunity for hearing in accordance with IC 6-1.1-14-4 and IC 6-1.1-14-9, as applicable, before issuing final annual adjustment factors.

(c) The annual adjustment factors finally determined by the department of local government finance after the hearing required under subsection (b) apply to the annual adjustment of real property under section 4.5 of this chapter for:

(1) the assessment date; and

(2) the real property;

specified in the final determination of the department of local government finance.

As added by P.L.182-2009(ss), SEC.86. Amended by P.L.113-2010, SEC.14; P.L.111-2014, SEC.9.

IC 6-1.1-4-4.7

Training of assessors and county auditors in sales disclosure form verification

Sec. 4.7. The department of local government finance shall provide training to township assessors, county assessors, and county auditors with respect to the verification of sales disclosure forms under 50 IAC 21-3-2.

As added by P.L.228-2005, SEC.5. Amended by P.L.146-2008, SEC.65.

IC 6-1.1-4-5

Petition for reassessment

Sec. 5. (a) A petition for the reassessment of a real property that is subject to reassessment under section 4 of this chapter and situated within a township may be filed with the department of local government finance on or before:

(1) March 31st of any year beginning before January 1, 2016, which is not a general election year and in which no general reassessment of real property is made; or

(2) January 31 of any year beginning after December 31, 2015, that is not a general election year and in which no general reassessment of real property is made.

A petition for reassessment of real property applies only to the most recent real property assessment date.

(b) The petition for reassessment must be signed by not less than the following percentage of all the owners of taxable real property who reside in the township:

(1) fifteen percent (15%) for a township which does not contain an incorporated city or town;

(2) five percent (5%) for a township containing all or part of an incorporated city or town which has a population of five thousand (5,000) or less;

(3) four percent (4%) for a township containing all or part of an incorporated city which has a population of more than five thousand (5,000) but not exceeding ten thousand (10,000);

(4) three percent (3%) for a township containing all or part of an incorporated city which has a population of more than ten thousand (10,000) but not exceeding fifty thousand (50,000);

(5) two percent (2%) for a township containing all or part of an incorporated city which has a population of more than fifty thousand (50,000) but not exceeding one hundred fifty thousand (150,000); or

(6) one percent (1%) for a township containing all or part of an incorporated city which has a population of more than one hundred fifty thousand (150,000).

The signatures on the petition must be verified by the oath of one (1) or more of the signers. A certificate of the county auditor stating that the signers constitute the required number of resident owners of taxable real property of the township must accompany the petition.

(c) Upon receipt of a petition under subsection (a), the department of local government finance may order a reassessment under section 9 of this chapter or conduct a reassessment under section 31.5 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1995, SEC.20; P.L.90-2002, SEC.31; P.L.113-2010, SEC.15; P.L.112-2012, SEC.4; P.L.111-2014, SEC.10.

IC 6-1.1-4-5.5

Petition for reassessment under county reassessment plan

Sec. 5.5. (a) A petition for the reassessment of a real property group designated under a county's reassessment plan prepared under section 4.2 of this chapter may be filed with the department of local government finance not later than forty-five (45) days after notice of assessment. A petition for reassessment of real property applies only to the most recent real property assessment date.

(b) The petition for reassessment must be signed by the lesser of

one hundred (100) owners of parcels in the group or five percent (5%) of owners of parcels in the group. The signatures on the petition must be verified by the oath of one (1) or more of the signers. A certificate of the county auditor stating that the signers constitute the required number of owners of taxable real property in the group of parcels must accompany the petition.

(c) Upon receipt of a petition under subsection (a), the department of local government finance may order a reassessment under section 9 of this chapter or conduct a reassessment under section 31.5 of this chapter.

As added by P.L.112-2012, SEC.5.

IC 6-1.1-4-6
Reassessment order

Sec. 6. If the department of local government finance determines that a petition filed under section 5 or 5.5 of this chapter has been signed by the required number of petitioners and that the present assessed value of any real property is inequitable, the department of local government finance shall order a reassessment of the real property for which the petition was filed. The order shall specify the time within which the reassessment shall be completed and the date on which the reassessment shall become effective.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.32; P.L.112-2012, SEC.6.

IC 6-1.1-4-7
Repealed

(Repealed by P.L.41-1993, SEC.54.)

IC 6-1.1-4-8
Repealed

(Repealed by P.L.41-1993, SEC.54.)

Revisor's Note: The repeal of IC 6-1.1-4-8 appearing in the 1993 Edition of the Indiana Code was printed incorrectly. Use this version of repeal of IC 6-1.1-4-8, effective 1-1-1994.

IC 6-1.1-4-9
Reassessment resolution of department of local government finance; hearing; reassessment order

Sec. 9. In order to maintain a just and equitable valuation of real property, the department of local government finance may adopt a resolution declaring its belief that it is necessary to reassess all or a portion of the real property located within this state. If the department of local government finance adopts a reassessment resolution and if either a township or a larger area is involved (for assessments before January 1, 2016) or one (1) or more groups of parcels under the county's reassessment plan are involved (for assessments after December 31, 2015), the department shall hold a hearing concerning the necessity for the reassessment at the courthouse of the county in which the property is located. The

department of local government finance shall give notice of the time and place of the hearing in the manner provided in section 10 of this chapter. After the hearing, or if the area involved is less than a township (for assessments before January 1, 2016) or is less than one (1) group of parcels under the county's reassessment plan (for assessments after December 31, 2015), after the adoption of the resolution of the department of local government finance, the department may order any reassessment it deems necessary. The order shall specify the time within which the reassessment must be completed and the date the reassessment will become effective.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.33; P.L.112-2012, SEC.7; P.L.111-2014, SEC.11.

IC 6-1.1-4-10
Notice of reassessments; publication

Sec. 10. A notice required by section 9 of this chapter shall be given at least ten (10) days before the hearing by publication one (1) time in each of two (2) newspapers of general circulation which:

(1) represent different political parties; and
(2) are published in the county in which the property that may be reassessed is located.

However, if two (2) such newspapers are not published in the county, publication of the notice in one (1) newspaper of general circulation published in the county is sufficient.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1995, SEC.21.

IC 6-1.1-4-11
Destroyed property; order of reassessment by county assessor

Sec. 11. (a) If a substantial amount of real and personal property in a township has been partially or totally destroyed as a result of a disaster, the county assessor shall:

(1) cause a survey to be made of the area or areas in which the property has been destroyed; and
(2) order a reassessment of the destroyed property;

if a person petitions the county assessor to take that action. The county assessor shall specify in the assessor's order the time within which the reassessment must be completed and the date on which the reassessment will become effective. However, the reassessed value and the corresponding adjustment of tax due, past due, or already paid is effective as of the date the disaster occurred, without penalty.

(b) The petition for reassessment of destroyed property, the reassessment order, and the tax adjustment order may not be made after December 31st of the year in which the taxes which would first be affected by the reassessment are payable.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1995, SEC.22; P.L.90-2002, SEC.34; P.L.219-2007, SEC.12.

IC 6-1.1-4-11.5
Reassessment of parcels affected by flooding; petition; applicable

dates; refund; publication of notice

Sec. 11.5. (a) This section applies to one (1) or more parcels of real property in a county that:

(1) are permanently flooded or to which access over land is permanently prevented by flooding; and

(2) are not being used for agricultural purposes.

(b) The owner of one (1) or more parcels referred to in subsection (a) may petition the county assessor for a reassessment of the parcel or parcels. Upon receipt of the petition, the county assessor shall:

(1) cause a survey to be made of the parcel or parcels; and

(2) if the parcel or parcels meet the description of subsection (a), order a reassessment of the parcel or parcels.

(c) If the flooding referred to in subsection (a) occurs before May 11 of a calendar year (the "current year") and after the immediately preceding November 10 and a petition under subsection (b) is filed not later than December 31 of the current year:

(1) the reassessment ordered under subsection (b):

(A) takes effect for:

(i) the assessment date in the current year; and

(ii) the assessment date in the calendar year that immediately precedes the current year; and

(B) treats the parcel or parcels for those assessment dates as:

(i) being permanently flooded; or

(ii) having overland access permanently prevented by flooding;

(2) the property taxes first due and payable in the current year with respect to the parcel or parcels are determined based on the reassessment; and

(3) the property taxes first due and payable in the calendar year that immediately succeeds the current year with respect to the parcel or parcels are determined based on the reassessment.

(d) If the flooding referred to in subsection (a) occurs after May 10 of the current year and before November 11 of the current year and the petition under subsection (b) is filed not later than December 31 of the current year:

(1) subsection (c)(1) and (c)(3) apply; and

(2) only:

(A) the second installment of property taxes under IC 6-1.1-22-9(a) first due and payable in the current year with respect to the parcel or parcels; or

(B) if property taxes are payable by a method other than two (2) annual installments, one-half (1/2) of the property tax liability for property taxes first due and payable in the current year with respect to the parcel or parcels;

is determined based on the reassessment.

(e) This subsection applies only if:

(1) the county assessor orders a reassessment under subsection (b); and

(2) the property owner pays property taxes in the current year with respect to the parcel or parcels based on the assessment

that applied before the ordered reassessment.

The property owner is entitled to a refund of property taxes based on the difference in the amount of property taxes paid and the amount of property taxes determined based on the ordered reassessment. A property owner is not required to apply for a refund due under this section. The county auditor shall, without an appropriation being required, issue a warrant to the property owner payable from the county general fund for the amount of the refund, if any, due the property owner.

(f) If:

(1) the county assessor orders a reassessment under subsection (b); and

(2) when the reassessment is completed the property owner has not paid property taxes in the current year with respect to the parcel or parcels based on the assessment that applied before the ordered reassessment;

the county treasurer shall issue to the property owner tax statements that reflect property taxes determined based on the reassessment.

(g) The county assessor shall specify in an order under subsection (b) the time within which the reassessment must be completed and the date on which the reassessment takes effect.

(h) A reassessment under this section for an assessment date continues to apply for subsequent assessment dates until the assessor:

(1) determines that circumstances have changed sufficiently to warrant another reassessment of the property; and

(2) reassesses the property based on the determination under subdivision (1).

(i) The county auditor and county treasurer shall publish notice of the availability of a reassessment under this section in accordance with IC 5-3-1.

As added by P.L.90-2009, SEC.1.

IC 6-1.1-4-12

Circumstances under which undeveloped land may be reassessed

Sec. 12. (a) As used in this section, "land developer" means a person that holds land for sale in the ordinary course of the person's trade or business. The term includes a financial institution (as defined in IC 28-1-1-3(1)) if the financial institution's land in inventory is purchased, acquired, or held for one (1) or more of the purposes established under IC 28-1-11-5(a)(2), IC 28-1-11-5(a)(3), and IC 28-1-11-5(a)(4).

(b) As used in this section, "land in inventory" means:

(1) a lot; or

(2) a tract that has not been subdivided into lots;

to which a land developer holds title in the ordinary course of the land developer's trade or business.

(c) As used in this section, "title" refers to legal or equitable title, including the interest of a contract purchaser.

(d) For purposes of this section, land purchased, acquired, or held by a financial institution for one (1) or more of the purposes

established under IC 28-1-11-5(a)(2), IC 28-1-11-5(a)(3), and IC 28-1-11-5(a)(4) is considered held for sale in the ordinary course of the financial institution's trade or business.

(e) Except as provided in subsections (i) and (j), if:

(1) land assessed on an acreage basis is subdivided into lots; or

(2) land is rezoned for, or put to, a different use;

the land shall be reassessed on the basis of its new classification.

(f) If improvements are added to real property, the improvements shall be assessed.

(g) An assessment or reassessment made under this section is effective on the next assessment date.

(h) No petition to the department of local government finance is necessary with respect to an assessment or reassessment made under this section.

(i) Subject to subsection (j), land in inventory may not be reassessed until the next assessment date following the earliest of:

(1) the date on which title to the land is transferred by:

(A) the land developer; or

(B) a successor land developer that acquires title to the land;

to a person that is not a land developer;

(2) the date on which construction of a structure begins on the land; or

(3) the date on which a building permit is issued for construction of a building or structure on the land.

(j) Subsection (i) applies regardless of whether the land in inventory is rezoned while a land developer holds title to the land.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.49, SEC.1.) As amended by P.L.90-2002, SEC.35; P.L.154-2006, SEC.1; P.L.118-2013, SEC.2.

IC 6-1.1-4-12.4

"Oil or gas interest"; assessment

Sec. 12.4. (a) For purposes of this section, the term "oil or gas interest" includes but is not limited to:

(1) royalties;

(2) overriding royalties;

(3) mineral rights; or

(4) working interest;

in any oil or gas located on or beneath the surface of land which lies within this state.

(b) Oil or gas interest is subject to assessment and taxation as real property. Notwithstanding section 4 or 4.2 of this chapter, each oil or gas interest shall be assessed annually by the assessor of the township in which the oil or gas is located, or the county assessor if there is no township assessor for the township. The township or county assessor shall assess the oil or gas interest to the person who owns or operates the interest.

(c) A piece of equipment is an appurtenance to land if it is incident to and necessary for the production of oil and gas from the land covered by the oil or gas interest. This equipment includes but

is not limited to wells, pumping units, lines, treaters, separators, tanks, and secondary recovery facilities. These appurtenances are subject to assessment as real property. Notwithstanding section 4 or 4.2 of this chapter, each of these appurtenances shall be assessed annually by the assessor of the township in which the appurtenance is located, or the county assessor if there is no township assessor for the township. The township or county assessor shall assess the appurtenance to the person who owns or operates the working interest in the oil or gas interest.
(Formerly: Acts 1975, P.L.48, SEC.2.) As amended by P.L.146-2008, SEC.66; P.L.112-2012, SEC.8.

IC 6-1.1-4-12.5
Repealed
(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-4-12.6
Assessed value of oil or gas interests
Sec. 12.6. (a) For purposes of this section, the term "secondary recovery method" includes but is not limited to the stimulation of oil production by means of the injection of water, steam, hydrocarbons, or chemicals, or by means of in situ combustion.
(b) The total assessed value of all interests in the oil located on or beneath the surface of a particular tract of land equals the product of:
(1) the average daily production of the oil; multiplied by
(2) three hundred sixty-five (365); and multiplied by
(3) the posted price of oil on the assessment date.
However, if the oil is being extracted by use of a secondary recovery method, the total assessed value of all interests in the oil equals one-half (1/2) the assessed value computed under the formula prescribed in this subsection. The appropriate township assessor (if any), or the county assessor if there is no township assessor for the township, shall, in the manner prescribed by the department of local government finance, apportion the total assessed value of all interests in the oil among the owners of those interests.
(c) The appropriate township assessor, or the county assessor if there is no township assessor for the township, shall, in the manner prescribed by the department of local government finance, determine and apportion the total assessed value of all interests in the gas located beneath the surface of a particular tract of land.
(d) The department of local government finance shall prescribe a schedule for township and county assessors to use in assessing the appurtenances described in section 12.4(c) of this chapter.
As added by P.L.198-2001, SEC.10. Amended by P.L.146-2008, SEC.67.

IC 6-1.1-4-13
Agricultural land; assessment; soil productivity factors
Sec. 13. (a) In assessing or reassessing land, the land shall be assessed as agricultural land only when it is devoted to agricultural

use.

(b) The department of local government finance shall give written notice to each county assessor of:

(1) the availability of the United States Department of Agriculture's soil survey data; and

(2) the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map.

All assessing officials and the property tax assessment board of appeals shall use the data in determining the true tax value of agricultural land. However, notwithstanding the availability of new soil productivity factors and the department of local government finance's notice of the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map for the March 1, 2012, assessment date, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the March 1, 2012, assessment date, the March 1, 2013, assessment date, and the March 1, 2014, assessment date. New soil productivity factors shall be used for assessment dates occurring after March 1, 2014.

(c) The department of local government finance shall by rule provide for the method for determining the true tax value of each parcel of agricultural land.

(d) This section does not apply to land purchased for industrial, commercial, or residential uses.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.63-1983, SEC.1; P.L.24-1986, SEC.6; P.L.75-1987, SEC.1; P.L.6-1997, SEC.14; P.L.90-2002, SEC.36; P.L.178-2002, SEC.5; P.L.112-2012, SEC.9; P.L.1-2013, SEC.1; P.L.85-2014, SEC.1.

IC 6-1.1-4-13.5
Repealed

(Repealed by P.L.84-1995, SEC.6.)

IC 6-1.1-4-13.6
Determination and review of land values

Sec. 13.6. (a) The county assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. The assessor determining the values of land shall submit the values to the county property tax assessment board of appeals by the dates specified in the county's reassessment plan under section 4.2 of this chapter.

(b) If the county assessor fails to determine land values under subsection (a) before the deadlines in the county's reassessment plan under section 4.2 of this chapter, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the land values become effective, the department of local government finance shall determine the values.

(c) The county assessor shall notify all township assessors in the county (if any) of the values. Assessing officials shall use the values determined under this section.

(d) A petition for the review of the land values determined by a county assessor under this section may be filed with the department of local government finance not later than forty-five (45) days after the county assessor makes the determination of the land values. The petition must be signed by at least the lesser of:

(1) one hundred (100) property owners in the county; or

(2) five percent (5%) of the property owners in the county.

(e) Upon receipt of a petition for review under subsection (d), the department of local government finance:

(1) shall review the land values determined by the county assessor; and

(2) after a public hearing, shall:

(A) approve;

(B) modify; or

(C) disapprove;

the land values.

As added by P.L.24-1986, SEC.9. Amended by P.L.74-1987, SEC.2; P.L.41-1993, SEC.5; P.L.6-1997, SEC.15; P.L.90-2002, SEC.37; P.L.146-2008, SEC.68; P.L.136-2009, SEC.3; P.L.113-2010, SEC.16; P.L.112-2012, SEC.10.

IC 6-1.1-4-13.8
Repealed

(Repealed by P.L.146-2008, SEC.802.)

IC 6-1.1-4-14
Adjacent property holders; assessment or exemption of various rights-of-way

Sec. 14. (a) Except as provided in subsection (b) of this section, land may not be assessed to an adjacent property holder if it:

(1) is occupied by and is within the right-of-way of a railroad, interurban, or street railway;

(2) is within the line of a levee constructed and maintained either by a levee association or under any law of this state;

(3) is used and occupied as part of a public drainage ditch, including land that:

(A) is adjacent to the ditch; and

(B) cannot be used for farmland or any other purpose because of a need for access to the ditch; or

(4) is within a right-of-way that is used and occupied as a public highway.

(b) Where land described in subsection (a)(1), (a)(2), or (a)(3) has not been transferred by deed to a person who holds the land for railroad, interurban, street railway, levee, drainage, or public highway purposes, the land shall be assessed to the adjacent property owner. However, the assessed value of the land so assessed shall be deducted from the assessed value of the land assessed to the adjacent

property owner.

(c) If an assessor and a landowner fail to agree on the amount of land described in subsection (a)(1), (a)(2), (a)(3), or (a)(4), the assessor shall have the county surveyor make a survey to determine the amount of land so described.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.6; P.L.47-1990, SEC.1.

IC 6-1.1-4-15

Appraisal; examination of buildings

Sec. 15. (a) If real property is subject to assessment or reassessment under this chapter, the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, shall either appraise the property or have it appraised.

(b) In order to determine the assessed value of buildings and other improvements, the township or county assessor or the assessor's authorized representative may, after first making known the assessor's or representative's intention to the owner or occupant, enter and fully examine all buildings and structures which are located within the township or county and which are subject to assessment.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.7; P.L.146-2008, SEC.69.

IC 6-1.1-4-16

Assessors' assistants; appropriation

Sec. 16. (a) For purposes of making a reassessment of real property under section 4 or 4.2 of this chapter or annual adjustments under section 4.5 of this chapter, a township assessor (if any) and a county assessor may employ:

(1) deputies;

(2) employees; and

(3) technical advisors who are:

(A) qualified to determine real property values;

(B) professional appraisers certified under 50 IAC 15; and

(C) employed either on a full-time or a part-time basis, subject to sections 18.5 and 19.5 of this chapter.

(b) The county council of each county shall appropriate the funds necessary for the employment of deputies, employees, or technical advisors employed under subsection (a) of this section.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.228-2005, SEC.7; P.L.146-2008, SEC.70; P.L.112-2012, SEC.11.

IC 6-1.1-4-17

Department of local government finance approval of employment of professional appraisers; department approval only if party to the contract; department approval of county decision to not employ professional appraiser in general reassessment

Sec. 17. (a) Subject to the approval of the department of local government finance and the requirements of section 18.5 of this

chapter, a county assessor may employ professional appraisers as technical advisors for assessments in all townships in the county. The department of local government finance may approve employment under this subsection only if the department is a party to the employment contract and any addendum to the employment contract.

(b) A decision by a county assessor to not employ a professional appraiser as a technical advisor in a reassessment under section 4 or 4.2 of this chapter is subject to approval by the department of local government finance.

(c) As used in this chapter, "professional appraiser" means an individual or firm that is certified under IC 6-1.1-31.7.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.62-1983, SEC.2; P.L.6-1997, SEC.16; P.L.90-2002, SEC.38; P.L.228-2005, SEC.8; P.L.146-2008, SEC.71; P.L.182-2009(ss), SEC.87; P.L.112-2012, SEC.12.

IC 6-1.1-4-18
Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-4-18.5
Professional appraisal; contract for services; bids required

Sec. 18.5. (a) A county assessor may not use the services of a professional appraiser for assessment or reassessment purposes without a written contract. The contract used must be either a standard contract developed by the department of local government finance or a contract that has been specifically approved by the department. The department shall ensure that the contract:

(1) includes all of the provisions required under section 19.5(b) of this chapter; and

(2) adequately provides for the creation and transmission of real property assessment data in the form required by the legislative services agency and the division of data analysis of the department.

(b) No contract shall be made with any professional appraiser to act as technical advisor in the assessment of property, before the giving of notice and the receiving of bids from anyone desiring to furnish this service. Notice of the time and place for receiving bids for the contract shall be given by publication by one (1) insertion in two (2) newspapers of general circulation published in the county and representing each of the two (2) leading political parties in the county. If only one (1) newspaper is there published, notice in that one (1) newspaper is sufficient to comply with the requirements of this subsection. The contract shall be awarded to the lowest and best bidder who meets all requirements under law for entering a contract to serve as technical advisor in the assessment of property. However, any and all bids may be rejected, and new bids may be asked.

(c) The county council of each county shall appropriate the funds needed to meet the obligations created by a professional appraisal services contract which is entered into under this chapter.

As added by P.L.198-2001, SEC.13. Amended by P.L.146-2008, SEC.72.

IC 6-1.1-4-19
Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-4-19.5
Department development of standards for contracts for professional appraisal services; special contract language

Sec. 19.5. (a) The department of local government finance shall develop a standard contract or standard provisions for contracts to be used in securing professional appraising services.

(b) The standard contract or contract provisions must contain:

(1) a fixed date by which the professional appraiser or appraisal firm shall have completed all responsibilities under the contract;

(2) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;

(3) a provision requiring the appraiser, or appraisal firm, to make periodic reports to the county assessor;

(4) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (3) of this subsection are to be made;

(5) a precise stipulation of what service or services are to be provided and what class or classes of property are to be appraised;

(6) a provision stipulating that the contractor will generate complete parcel characteristics and parcel assessment data in a manner and format acceptable to the legislative services agency and the department of local government finance;

(7) a provision stipulating that the legislative services agency and the department of local government finance have unrestricted access to the contractor's work product under the contract; and

(8) a provision stating that the department of local government finance is a party to the contract and any addendum to the contract.

The department of local government finance may devise other necessary provisions for the contracts in order to give effect to this chapter.

(c) In order to comply with the duties assigned to it by this section, the department of local government finance may develop:

(1) one (1) or more model contracts;

(2) one (1) contract with alternate provisions; or

(3) any combination of subdivisions (1) and (2).

The department may approve special contract language in order to meet any unusual situations.

As added by P.L.198-2001, SEC.15. Amended by P.L.146-2008, SEC.73; P.L.182-2009(ss), SEC.88.

IC 6-1.1-4-20
Professional appraisal; contract deadline

Sec. 20. The department of local government finance may establish a period, with respect to each reassessment under section 4 or 4.2 of this chapter, that is the only time during which a county assessor may enter into a contract with a professional appraiser.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.55-1986, SEC.1; P.L.6-1997, SEC.18; P.L.90-2002, SEC.39; P.L.146-2008, SEC.74; P.L.112-2012, SEC.13.

IC 6-1.1-4-21
Appraisal completion date; reporting requirement

Sec. 21. (a) If during a period of general reassessment under section 4 of this chapter a county assessor personally makes the real property appraisals, the appraisals of the parcels subject to taxation must be completed as follows:

(1) The appraisal of one-fourth (1/4) of the parcels shall be completed before December 1 of the year in which the general reassessment begins.

(2) The appraisal of one-half (1/2) of the parcels shall be completed before May 1 of the year following the year in which the general reassessment begins.

(3) The appraisal of three-fourths (3/4) of the parcels shall be completed before October 1 of the year following the year in which the general reassessment begins.

(4) The appraisal of all the parcels shall be completed before March 1 of the second year following the year in which the general reassessment begins.

(b) If a county assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals during a period of general reassessment, the professional appraiser or appraisal firm must file appraisal reports with the county assessor as follows:

(1) The appraisals for one-fourth (1/4) of the parcels shall be reported before December 1 of the year in which the general reassessment begins.

(2) The appraisals for one-half (1/2) of the parcels shall be reported before May 1 of the year following the year in which the general reassessment begins.

(3) The appraisals for three-fourths (3/4) of the parcels shall be reported before October 1 of the year following the year in which the general reassessment begins.

(4) The appraisals for all the parcels shall be reported before March 1 of the second year following the year in which the general reassessment begins.

However, the reporting requirements prescribed in this subsection do not apply if the contract under which the professional appraiser, or appraisal firm, is employed prescribes different reporting procedures.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.55-1986, SEC.2; P.L.146-2008, SEC.75; P.L.112-2012, SEC.14.

IC 6-1.1-4-21.4
Appraisal completion date and reporting requirements under county reassessment plan

Sec. 21.4. (a) The appraisals of the parcels in a group under a county's reassessment plan prepared under section 4.2 of this chapter that are subject to taxation must be completed as follows:

(1) The appraisal of one-third (1/3) of the parcels shall be completed before August 1 of the year in which the group's reassessment under the county reassessment plan begins.

(2) The appraisal of two-thirds (2/3) of the parcels shall be completed before November 1 of the year in which the group's reassessment under the county reassessment plan begins.

(3) The appraisal of all the parcels shall be completed before January 1 of the year following the year in which the group's reassessment under the county reassessment plan begins.

(b) If a county assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals of a group of parcels under a county's reassessment plan, the professional appraiser or appraisal firm must file appraisal reports with the county assessor by the dates set forth in subsection (a).

As added by P.L.112-2012, SEC.15. Amended by P.L.111-2014, SEC.12.

IC 6-1.1-4-21.5
Repealed

(Repealed by P.L.84-1995, SEC.6.)

IC 6-1.1-4-22
Amounts of assessment or reassessment; notice

Sec. 22. (a) If any assessing official assesses or reassesses any real property under this article (including an annual adjustment under section 4.5 of this chapter), the official shall give notice to the taxpayer and the county assessor, by mail or by using electronic mail that includes a secure Internet link to the information in the notice, of the amount of the assessment or reassessment.

(b) Each township or county assessor shall provide the notice required by this section by the earlier of:

(1) ninety (90) days after the assessor:

(A) completes the appraisal of a parcel; or

(B) receives a report for a parcel from a professional appraiser or professional appraisal firm; or

(2) April 10 of the year containing the assessment date for which the assessment or reassessment first applies, if the assessment date occurs in a year that ends before January 1, 2016, and February 10 of the year containing the assessment date for which the assessment or reassessment first applies, if the assessment date occurs in a year that begins after December 31, 2015.

(c) The notice required by this section is in addition to any required notice of assessment or reassessment included in a property

tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(d) The notice required by this section must include notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1.

(e) Notice of the opportunity to appeal the assessed valuation required under subsection (d) must include the following:

(1) The procedure that a taxpayer must follow to appeal the assessment or reassessment.

(2) The forms that must be filed for an appeal of the assessment or reassessment.

(3) Notice that an appeal of the assessment or reassessment requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.64, SEC.2; P.L.6-1997, SEC.19; P.L.146-2008, SEC.76; P.L.136-2009, SEC.4; P.L.112-2012, SEC.16; P.L.111-2014, SEC.13.

IC 6-1.1-4-23
Repealed

(Repealed by Acts 1977, P.L.64, SEC.4.)

IC 6-1.1-4-24
Notice to county auditor of assessed value

Sec. 24. Immediately following an assessment or reassessment of real property, the county property tax assessment board of appeals shall notify the county auditor of the assessed value of the land and improvements so assessed. The county property tax assessment board of appeals shall give the notice on the form and in the manner prescribed by the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.20; P.L.90-2002, SEC.40.

IC 6-1.1-4-25
Record keeping; electronic data files

Sec. 25. (a) Each township assessor and each county assessor shall keep the assessor's reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the real property. The township or county assessor's records shall at all times show the assessed value of real property in accordance with this chapter. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

(b) The township assessor (if any) in a county having a consolidated city, the county assessor if there are no township assessors in a county having a consolidated city, or the county assessor in every other county, shall:

(1) maintain an electronic data file of:

(A) the parcel characteristics and parcel assessments of all

parcels; and

(B) the personal property return characteristics and assessments by return;

for each township in the county as of each assessment date;

(2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:

(A) the legislative services agency; and

(B) the department of local government finance;

(3) transmit the data in the file with respect to the assessment date of each year before October 1 of a year ending before January 1, 2016, and before September 1 of a year beginning after December 31, 2015, to:

(A) the legislative services agency; and

(B) the department of local government finance;

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.21; P.L.198-2001, SEC.16; P.L.178-2002, SEC.6; P.L.177-2005, SEC.27; P.L.146-2008, SEC.77; P.L.111-2014, SEC.14.

IC 6-1.1-4-26

Adoption or promulgation of documents by the department of local government finance

Sec. 26. The department of local government finance may adopt or promulgate regulations, appraisal manuals, rules, bulletins, directives, and forms for the assessment and reassessment of real property.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.41.

IC 6-1.1-4-27

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-4-27.5
Property reassessment fund; tax levies; petition to increase levy; appeal

Sec. 27.5. (a) The auditor of each county shall establish a property reassessment fund. The county treasurer shall deposit all collections resulting from the property taxes that the county levies for the county's property reassessment fund.

(b) With respect to a reassessment of real property under a county's reassessment plan under section 4.2 of this chapter, the county council of each county shall, for property taxes due each year, levy against all the taxable property in the county an amount equal to the estimated costs of the reassessment under section 28.5 of this chapter for the group of parcels to be reassessed in that year.

(c) The county assessor may petition the county fiscal body to increase the levy under subsection (b) to pay for the costs of:

(1) a reassessment of one (1) or more groups of parcels under a county's reassessment plan prepared under section 4.2 of this chapter;

(2) verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3; or

(3) processing annual adjustments under section 4.5 of this chapter.

The assessor must document the needs and reasons for the increased funding.

(d) If the county fiscal body denies a petition under subsection (c), the county assessor may appeal to the department of local government finance. The department of local government finance shall:

(1) hear the appeal; and

(2) determine whether the additional levy is necessary.

As added by P.L.198-2001, SEC.18. Amended by P.L.90-2002, SEC.42; P.L.151-2002, SEC.1 and P.L.178-2002, SEC.7; P.L.245-2003, SEC.5; P.L.228-2005, SEC.9; P.L.219-2007, SEC.13; P.L.146-2008, SEC.78; P.L.172-2011, SEC.27; P.L.112-2012, SEC.17; P.L.218-2013, SEC.1.

IC 6-1.1-4-28
Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-4-28.5
Property reassessment funds; use of money; soil maps

Sec. 28.5. (a) Money assigned to a property reassessment fund under section 27.5 of this chapter may be used only to pay the costs of:

(1) the general reassessment of real property under section 4 of this chapter or reassessment of one (1) or more groups of parcels under a county's reassessment plan prepared under section 4.2 of this chapter, including the computerization of assessment records;

(2) payments to assessing officials and hearing officers for county property tax assessment boards of appeals under IC 6-1.1-35.2;
(3) the development or updating of detailed soil survey data by the United States Department of Agriculture or its successor agency;
(4) the updating of plat books;
(5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist assessing officials;
(6) making annual adjustments under section 4.5 of this chapter; and
(7) the verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to:
(A) the county assessor; or
(B) township assessors (if any);
under IC 6-1.1-5.5-3.

Money in a property tax reassessment fund may not be transferred or reassigned to any other fund and may not be used for any purposes other than those set forth in this section.

(b) All counties shall use modern, detailed soil maps in the reassessment of agricultural land.

(c) The county treasurer of each county shall, in accordance with IC 5-13-9, invest any money accumulated in the property reassessment fund. Any interest received from investment of the money shall be paid into the property reassessment fund.

(d) An appropriation under this section must be approved by the fiscal body of the county after the review and recommendation of the county assessor. However, in a county with a township assessor in every township, the county assessor does not review an appropriation under this section, and only the fiscal body must approve an appropriation under this section.

As added by P.L.198-2001, SEC.20. Amended by P.L.228-2005, SEC.10; P.L.88-2005, SEC.7; P.L.1-2006, SEC.131; P.L.154-2006, SEC.2; P.L.1-2007, SEC.39; P.L.219-2007, SEC.14; P.L.146-2008, SEC.79; P.L.112-2012, SEC.18.

IC 6-1.1-4-29
Expenses of reassessment

Sec. 29. (a) The expenses of a reassessment, except those incurred by the department of local government finance in performing its normal functions, shall be paid by the county in which the reassessed property is situated. These expenses, except for the expenses of:
(1) a general reassessment of real property under section 4 of this chapter; or
(2) reassessments of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter;
shall be paid from county funds. The county auditor shall issue warrants for the payment of reassessment expenses. No prior appropriations are required in order for the auditor to issue warrants.

(b) An order of the department of local government finance directing the reassessment of property shall contain an estimate of the cost of making the reassessment. The assessing officials in the county, the county property tax assessment board of appeals, and the county auditor may not exceed the amount so estimated by the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.24; P.L.90-2002, SEC.43; P.L.146-2008, SEC.80; P.L.112-2012, SEC.19.

IC 6-1.1-4-30

Interim assessments or reassessments; rules and regulations

Sec. 30. (a) In making any assessment or reassessment of real property in the interim between general reassessments under section 4 of this chapter, the rules, regulations, and standards for assessment are the same as those used in the preceding general reassessment.

(b) In making any assessment or reassessment of real property between reassessments of that real property under a county's reassessment plan prepared under section 4.2 of this chapter, the rules, regulations, and standards for assessment are the same as those used for that real property in the preceding reassessment of that group of parcels under a county's reassessment plan.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.112-2012, SEC.20.

IC 6-1.1-4-31

Department of local government finance check of local assessment activities; state conducted activities; payment of bills for services; determinations by county commissioners or city-county council

Sec. 31. (a) The department of local government finance shall periodically check the conduct of:

(1) a general reassessment under section 4 of this chapter;

(2) a reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter;

(3) work required to be performed by local officials under 50 IAC 21; and

(4) other property assessment activities in the county, as determined by the department.

The department of local government finance may inform township assessors (if any), county assessors, and the presidents of county councils in writing if its check reveals that the general reassessment, the reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter, or other property assessment activities are not being properly conducted, work required to be performed by local officials under 50 IAC 21 is not being properly conducted, or property assessments are not being properly made.

(b) The failure of the department of local government finance to inform local officials under subsection (a) shall not be construed as an indication by the department that:

(1) the general reassessment under section 4 of this chapter, a reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter, or other property assessment activities are being properly conducted;

(2) work required to be performed by local officials under 50 IAC 21 is being properly conducted; or

(3) property assessments are being properly made.

(c) If the department of local government finance:

(1) determines under subsection (a) that a general reassessment under section 4 of this chapter, a reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter, or other assessment activities are not being properly conducted; and

(2) informs:

(A) the township assessor (if any) of each affected township;

(B) the county assessor; and

(C) the president of the county council;

in writing under subsection (a);

the department may order a state conducted assessment or reassessment under section 31.5 of this chapter to begin not less than sixty (60) days after the date of the notice under subdivision (2).

(d) If the department of local government finance:

(1) determines under subsection (a) that work required to be performed by local officials under 50 IAC 21 is not being properly conducted; and

(2) informs:

(A) the township assessor of each affected township (if any);

(B) the county assessor; and

(C) the president of the county council;

in writing under subsection (a);

the department may conduct the work or contract to have the work conducted to begin not less than sixty (60) days after the date of the notice under subdivision (2). If the department determines during the period between the date of the notice under subdivision (2) and the proposed date for beginning the work or having the work conducted that work required to be performed by local officials under 50 IAC 21 is being properly conducted, the department may rescind the order.

(e) If the department of local government finance contracts to have work conducted under subsection (d), the department shall forward the bill for the services to the county and the county shall pay the bill under the same procedures that apply to county payments of bills for assessment or reassessment services under section 31.5 of this chapter.

(f) A county council president who is informed by the department of local government finance under subsection (a) shall provide the information to the board of county commissioners. A board of county commissioners that receives information under this subsection may adopt an ordinance to do either or both of the following:

(1) Determine that:

(A) the information indicates that the county assessor has failed to perform adequately the duties of county assessor; and

(B) by that failure the county assessor forfeits the office of county assessor and is subject to removal from office by an information filed under IC 34-17-2-1(b).

(2) Determine that:

(A) the information indicates that one (1) or more township assessors in the county have failed to perform adequately the duties of township assessor; and

(B) by that failure the township assessor or township assessors forfeit the office of township assessor and are subject to removal from office by an information filed under IC 34-17-2-1(b).

(g) A city-county council that is informed by the department of local government finance under subsection (a) may adopt an ordinance making the determination or determinations referred to in subsection (f).

As added by P.L.14-1983, SEC.2. Amended by P.L.90-2002, SEC.44; P.L.228-2005, SEC.11; P.L.146-2008, SEC.81; P.L.113-2010, SEC.17; P.L.112-2012, SEC.21.

IC 6-1.1-4-31.5

State conducted assessment or reassessment; notice; state contract with appraising firm; state review of contract; land values; contract payment; severability

Sec. 31.5. (a) As used in this section, "department" refers to the department of local government finance.

(b) If the department makes a determination and informs local officials under section 31(c) of this chapter, the department may order a state conducted assessment or reassessment in the county subject to the time limitation in that subsection.

(c) If the department orders a state conducted assessment or reassessment in a county, the department shall assume the duties of the county assessor. Notwithstanding sections 15 and 17 of this chapter, a county assessor subject to an order issued under this section may not assess property or have property assessed for the assessment or general reassessment under section 4 of this chapter or under a county's reassessment plan prepared under section 4.2 of this chapter. Until the state conducted assessment or reassessment is completed under this section, the assessment or reassessment duties of the county assessor are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(d) Before assuming the duties of a county assessor, the department shall transmit a copy of the department's order requiring a state conducted assessment or reassessment to the county assessor, the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in

a newspaper of general circulation published in the county. The department is not required to conduct a public hearing before taking action under this section.

(e) A county assessor subject to an order issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

(1) data;
(2) records;
(3) maps;
(4) parcel record cards;
(5) forms;
(6) computer software systems;
(7) computer hardware systems; and
(8) other information;

related to the assessment or reassessment of real property in the county. The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to an assessment or a general reassessment under section 4 of this chapter or under a county's reassessment plan prepared under section 4.2 of this chapter and is subject to IC 6-1.1-37-2.

(f) The department may enter into a contract with a professional appraising firm to conduct an assessment or reassessment under this section. If a county entered into a contract with a professional appraising firm to conduct the county's assessment or reassessment before the department orders a state conducted assessment or reassessment in the county under this section, the contract:

(1) is as valid as if it had been entered into by the department; and
(2) shall be treated as the contract of the department.

(g) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (f), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment. The notice of assessment or reassessment:

(1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and
(2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

(h) The department shall forward a bill for services provided under a contract described in subsection (f) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (i).

(i) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (f), without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work

performed under a contract if the contractor:

(1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;

(2) obtains from the department:

(A) approval of the form and amount of the bill; and

(B) a certification that the billed goods and services have been received and comply with the contract; and

(3) files with the county auditor:

(A) a duplicate copy of the bill submitted to the department;

(B) proof of the department's approval of the form and amount of the bill; and

(C) the department's certification that the billed goods and services have been received and comply with the contract.

The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the date the claim is certified by the county fiscal officer if the procedures in IC 5-11-10-2 are used to approve the claim or the date the claim is placed on the claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used to approve the claim. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(j) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

(1) The commissioner of the Indiana department of administration.

(2) The director of the budget agency.

(3) The attorney general.

(k) If money in the county's property reassessment fund is insufficient to pay for an assessment or reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the assessment or reassessment.

(l) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a

county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's assessing officials of the land values determined under this subsection.

(m) A contractor of the department may notify the department if:

(1) a county auditor fails to:

(A) certify the contractor's bill;

(B) publish the contractor's claim;

(C) submit the contractor's claim to the county executive; or

(D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (i) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (i) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(n) The department, upon receiving notice under subsection (m) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (m)(1) or (m)(2); or

(B) a person or an entity acted or failed to act as described in subsection (m)(3); and

(2) provide to the treasurer of state the department's approval under subsection (i)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (m).

(o) Upon receipt of the department's approval of a contractor's bill under subsection (n), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions of admissions taxes or wagering taxes.

(p) The treasurer of state shall withhold from the money that would be distributed under IC 4-33-12-6, IC 4-33-13-5, or any other law to a county described in a notice provided under subsection (m)

the amount of a payment made by the treasurer of state to the contractor of the department under subsection (o). Money shall be withheld from any source payable to the county.

(q) Compliance with subsections (m) through (p) constitutes compliance with IC 5-11-10.

(r) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (m) through (p). This subsection and subsections (m) through (p) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(s) The provisions of this section are severable as provided in IC 1-1-1-8(b).

As added by P.L.228-2005, SEC.12. Amended by P.L.146-2008, SEC.82; P.L.112-2012, SEC.22.

IC 6-1.1-4-31.6

Informal hearings by professional appraiser contractor; informal hearing required to preserve right to appeal assessment; notice; rules; contract payment

Sec. 31.6. (a) Subject to the other requirements of this section, the department of local government finance may:

(1) negotiate an addendum to a contract referred to in section 31.5(f) of this chapter that is treated as a contract of the department; or

(2) include provisions in a contract entered into by the department under section 31.5(f) of this chapter;

to require the contractor of the department to represent the department in appeals initiated under section 31.7 of this chapter and to afford to taxpayers an opportunity to attend an informal hearing.

(b) The purpose of the informal hearing referred to in subsection (a) is to:

(1) discuss the specifics of the taxpayer's assessment or reassessment;

(2) review the taxpayer's property record card;

(3) explain to the taxpayer how the assessment or reassessment was determined;

(4) provide to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or reassessment;

(5) note and consider objections of the taxpayer;

(6) consider all errors alleged by the taxpayer; and

(7) otherwise educate the taxpayer about:

(A) the taxpayer's assessment or reassessment;

(B) the assessment or reassessment process; and

(C) the assessment or reassessment appeal process under section 31.7 of this chapter.

(c) Following an informal hearing referred to in subsection (b), the contractor shall:

(1) make a recommendation to the department of local government finance as to whether a change in the reassessment is warranted; and

(2) if recommending a change under subdivision (1), provide to the department a statement of:

(A) how the changed assessment or reassessment was determined; and

(B) the amount of the changed assessment or reassessment.

(d) To preserve the right to appeal under section 31.7 of this chapter, a taxpayer must initiate the informal hearing process by notifying the department of local government finance or its designee of the taxpayer's intent to participate in an informal hearing referred to in subsection (b) not later than forty-five (45) days after the department of local government finance gives notice under section 31.5(g) of this chapter to taxpayers of the amount of the reassessment.

(e) The informal hearings referred to in subsection (b) must be conducted:

(1) in the county where the property is located; and

(2) in a manner determined by the department of local government finance.

(f) The department of local government finance shall:

(1) consider the recommendation of the contractor under subsection (c); and

(2) if the department accepts a recommendation that a change in the assessment or reassessment is warranted, accept or modify the recommended amount of the changed assessment or reassessment.

(g) The department of local government finance shall send a notice of the result of each informal hearing to:

(1) the taxpayer;

(2) the county auditor;

(3) the county assessor; and

(4) the township assessor (if any) of the township in which the property is located.

(h) A notice under subsection (g) must:

(1) state whether the assessment or reassessment was changed as a result of the informal hearing; and

(2) if the assessment or reassessment was changed as a result of the informal hearing:

(A) indicate the amount of the changed assessment or reassessment; and

(B) provide information on the taxpayer's right to appeal under section 31.7 of this chapter.

(i) If the department of local government finance does not send a notice under subsection (g) not later than two hundred seventy (270) days after the date the department gives notice of the amount of the assessment or reassessment under section 31.5(g) of this chapter:

(1) the department may not change the amount of the assessment or reassessment under the informal hearing process

described in this section; and

(2) the taxpayer may appeal the assessment or reassessment under section 31.7 of this chapter.

(j) The department of local government finance may adopt rules to establish procedures for informal hearings under this section.

(k) Payment for an addendum to a contract under subsection (a)(1) is made in the same manner as payment for the contract under section 31.5(h) of this chapter.

As added by P.L.228-2005, SEC.13. Amended by P.L.146-2008, SEC.83.

IC 6-1.1-4-31.7

Appeal of assessment or reassessment to Indiana board; Indiana board contract with special master; hearings; rules; appeal to tax court

Sec. 31.7. (a) As used in this section, "special master" refers to a person designated by the Indiana board under subsection (e).

(b) The notice of assessment or reassessment under section 31.5(g) of this chapter is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance do not apply to an appeal under this subsection. The Indiana board may establish applicable procedures and time limitations under subsection (l).

(c) In order to appeal under subsection (b), the taxpayer must:

(1) participate in the informal hearing process under section 31.6 of this chapter;

(2) except as provided in section 31.6(i) of this chapter, receive a notice under section 31.6(g) of this chapter; and

(3) file a petition for review with the appropriate county assessor not later than thirty (30) days after:

(A) the date of the notice to the taxpayer under section 31.6(g) of this chapter; or

(B) the date after which the department may not change the amount of the assessment or reassessment under the informal hearing process described in section 31.6 of this chapter.

(d) The Indiana board may develop a form for petitions under subsection (c) that outlines:

(1) the appeal process;

(2) the burden of proof; and

(3) evidence necessary to warrant a change to an assessment or reassessment.

(e) The Indiana board may contract with, appoint, or otherwise designate the following to serve as special masters to conduct evidentiary hearings and prepare reports required under subsection (g):

(1) Independent, licensed appraisers.

(2) Attorneys.

(3) Certified level two or level three Indiana assessor-appraisers (including administrative law judges employed by the Indiana

board).

(4) Other qualified individuals.

(f) Each contract entered into under subsection (e) must specify the appointee's compensation and entitlement to reimbursement for expenses. The compensation and reimbursement for expenses are paid from the county property reassessment fund.

(g) With respect to each petition for review filed under subsection (c), the special masters shall:

(1) set a hearing date;

(2) give notice of the hearing at least thirty (30) days before the hearing date, by mail, to:

(A) the taxpayer;

(B) the department of local government finance;

(C) the township assessor (if any); and

(D) the county assessor;

(3) conduct a hearing and hear all evidence submitted under this section; and

(4) make evidentiary findings and file a report with the Indiana board.

(h) At the hearing under subsection (g):

(1) the taxpayer shall present:

(A) the taxpayer's evidence that the assessment or reassessment is incorrect;

(B) the method by which the taxpayer contends the assessment or reassessment should be correctly determined; and

(C) comparable sales, appraisals, or other pertinent information concerning valuation as required by the Indiana board; and

(2) the department of local government finance shall present its evidence that the assessment or reassessment is correct.

(i) The Indiana board may dismiss a petition for review filed under subsection (c) if the evidence and other information required under subsection (h)(1) is not provided at the hearing under subsection (g).

(j) The township assessor (if any) and the county assessor may attend and participate in the hearing under subsection (g).

(k) The Indiana board may:

(1) consider the report of the special masters under subsection (g)(4);

(2) make a final determination based on the findings of the special masters without:

(A) conducting a hearing; or

(B) any further proceedings; and

(3) incorporate the findings of the special masters into the board's findings in resolution of the appeal.

(l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:

(1) establish procedures to expedite:

(A) the conduct of hearings under subsection (g); and

(B) the issuance of determinations of appeals under

subsection (k); and

(2) establish deadlines:

(A) for conducting hearings under subsection (g); and

(B) for issuing determinations of appeals under subsection (k).

(m) A determination by the Indiana board of an appeal under subsection (k) is subject to appeal to the tax court under IC 6-1.1-15.

As added by P.L.228-2005, SEC.14. Amended by P.L.219-2007, SEC.15; P.L.146-2008, SEC.84.

IC 6-1.1-4-32
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-1.1-4-33
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-1.1-4-34
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-1.1-4-35
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-1.1-4-36
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-1.1-4-37
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-1.1-4-38
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-1.1-4-39
Assessment of rental property and mobile homes; low income rental housing exclusion

Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

(1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value

that have taken place due to wear and tear, design and plan, or neighborhood influences.

(2) Sales comparison approach, using data for generally comparable property.

(3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.

(b) The gross rent multiplier method is the preferred method of valuing:

(1) real property that has at least one (1) and not more than four (4) rental units; and

(2) mobile homes assessed under IC 6-1.1-7.

(c) A township assessor (if any) or the county assessor is not required to appraise real property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. If a taxpayer wishes to have the income capitalization method or the gross rent multiplier method used in the initial formulation of the assessment of the taxpayer's property, the taxpayer must submit the necessary information to the assessor not later than the assessment date. However, the taxpayer is not prejudiced in any way and is not restricted in pursuing an appeal, if the data is not submitted by the assessment date. A taxpayer must verify under penalties for perjury any information provided to the township or county assessor for use in the application of either method. All information related to earnings, income, profits, losses, or expenditures that is provided to the assessor under this section is confidential under IC 6-1.1-35-9 to the same extent as information related to earnings, income, profits, losses, or expenditures of personal property is confidential under IC 6-1.1-35-9.

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

As added by P.L.1-2004, SEC.8 and P.L.23-2004, SEC.9. Amended by P.L.199-2005, SEC.3; P.L.146-2008, SEC.85; P.L.146-2012, SEC.2; P.L.111-2014, SEC.15.

IC 6-1.1-4-39.5
Assessment of qualified real property

Sec. 39.5. (a) As used in this section, "qualified real property" means a riverboat (as defined in IC 4-33-2-17).

(b) Except as provided in subsection (c), the true tax value of qualified real property is the lowest valuation determined by applying each of the following appraisal approaches:

(1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences using base prices determined under 50 IAC 2.3 and associated guidelines published by the department.

(2) Sales comparison approach, using data for generally comparable property, excluding values attributable to licenses, fees, or personal property as determined under 50 IAC 4.2.

(3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.

(c) A township or county assessor is not required to appraise qualified real property using the three (3) appraisal approaches listed in subsection (b) if the township or county assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method. A taxpayer must verify under penalties for perjury any information provided to the assessor for use in the application of the income capitalization method.

As added by P.L.233-2007, SEC.22. Amended by P.L.146-2008, SEC.86.

IC 6-1.1-4-40

Exclusion of federal income tax credits in the determination of the assessed value of low income housing tax credit property

Sec. 40. The value of federal income tax credits awarded under Section 42 of the Internal Revenue Code may not be considered in determining the assessed value of low income housing tax credit property.

As added by P.L.81-2004, SEC.58.

IC 6-1.1-4-41

Assessment of low income rental housing

Sec. 41. (a) For purposes of this section:

(1) "low income rental property" means real property used to provide low income housing eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code;

and

(2) "rental period" means the period during which low income rental property is eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code.

(b) For assessment dates after February 28, 2006, the true tax value of low income rental property is the greater of the true tax value:

(1) determined using the income capitalization approach; or

(2) that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all units in the property for the most recent taxpayer fiscal year that ends before the assessment date.

(c) The department of local government finance may adopt rules under IC 4-22-2 to implement this section.

As added by P.L.199-2005, SEC.4. Amended by P.L.1-2006, SEC.132.

IC 6-1.1-4-42

True tax value of golf course real property determined using income capitalization; information provided by golf course owners; uniform income capitalization tables; department of local government finance administration

Sec. 42. (a) This section applies to assessment dates after January 15, 2010.

(b) As used in this section, "golf course" means an area of land and yard improvements that are predominately used to play the game of golf. A golf course consists of a series of holes, each consisting of a teeing area, fairway, rough and other hazards, and the green with the pin and cup.

(c) The true tax value of real property regularly used as a golf course is the valuation determined by applying the income capitalization appraisal approach. The income capitalization approach used to determine the true tax value of a golf course must:

(1) incorporate an applicable income capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use;

(2) provide for the uniform and equal assessment of golf courses of similar grade quality and play length; and

(3) exclude the value of personal property, intangible property, and income derived from personal or intangible property.

(d) For assessment dates after January 15, 2010, and before March 1, 2012, a township assessor (if any) or the county assessor shall gather and process information from the owner of a golf course to carry out this section in accordance with the rules adopted by the department of local government finance under IC 4-22-2.

(e) For assessment dates after February 28, 2012, the department of local government finance shall, by rules adopted under IC 4-22-2, establish uniform income capitalization tables and procedures to be used for the assessment of golf courses. The department of local

government finance may rely on analysis conducted by a state educational institution to develop the income capitalization tables and procedures required under this section. Assessing officials shall use the tables and procedures adopted by the department of local government finance to assess, reassess, and annually adjust the assessed value of golf courses.

(f) The department of local government finance may prescribe procedures, forms, and due dates for the collection from the owners or operators of golf courses of the necessary earnings, income, profits, losses, and expenditures data necessary to carry out this section. An owner or operator of a golf course shall comply with the procedures and reporting schedules prescribed by the department of local government finance.

As added by P.L.182-2009(ss), SEC.89.

IC 6-1.1-5

Chapter 5. Real Property Assessment Records

IC 6-1.1-5-1

Plats

Sec. 1. Except as provided in section 9 of this chapter, the auditor, or, if authorized by county ordinance, the surveyor of each county shall maintain a plat of each civil township of the county the auditor or surveyor serves. The plats shall be divided in such a manner that they clearly exhibit the ownership and assessed value of each parcel of real property. The plats must be in the form and contain the information prescribed by the department of local government finance. The plats shall be kept current.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.76-1989, SEC.1; P.L.90-2002, SEC.46.

IC 6-1.1-5-2

Index numbering system

Sec. 2. (a) Except as provided in section 9 of this chapter, county auditor may establish a real property index numbering system in order to list real property for purposes of the assessment and collection of taxes. The index numbering system may be used in addition to, or in lieu of, the method of listing real property otherwise provided by law. The index numbering system shall describe real property by county, township, block, and parcel or lot. The numbering system must be approved by the department of local government finance before it is implemented.

(b) If an index numbering system is implemented in a county, the county auditor, except as provided in section 9 of this chapter, shall:

(1) establish and maintain cross indexes of the numbers assigned under the system and the complete legal description of the real property to which the numbers are related;

(2) assign individual index numbers which shall be carried on the assessment rolls, tax rolls, and tax statements;

(3) keep the indexes established under this section open for public inspection; and

(4) furnish all information concerning the index numbering system to the assessing officers of the county.

(c) An index numbering system established under this section shall be implemented on a county-wide basis.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.48, SEC.2; P.L.90-2002, SEC.47.

IC 6-1.1-5-3

Plats; entry on tax list

Sec. 3. Except as provided in section 9 of this chapter, if any land is platted, the plat must be presented to the county auditor before it is recorded. Subject to sections 5.5 and 9 of this chapter, the county auditor shall enter the lots or parcels described in the plat on the tax lists in lieu of the land included in the plat.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.113-2010, SEC.18.

IC 6-1.1-5-4
Transfer books

Sec. 4. (a) Except as provided in section 9 of this chapter, the county auditor shall keep a transfer book, arranged by townships, cities, and towns. In the transfer book he shall enter a description, for the purpose of taxation, of land that is conveyed by deed or partition, the date of the conveyance, the names of the parties, and the post office address of the grantee.

(b) In addition, the auditor shall endorse on the deed or instrument of conveyance the words "duly entered for taxation subject to final acceptance for transfer", "not taxable", "has already been listed for taxation", or "duly entered for taxation". The deed or instrument must include on its face the post office address of the grantee.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.48, SEC.3; P.L.54-1988, SEC.1.

IC 6-1.1-5-5
Change of ownership; partition; apportionment of assessed value and delinquent taxes

Sec. 5. If a division, partition, or change of ownership of any real property is made by conveyance, sale, devise, or descent, the county auditor, except as provided in sections 5.5 and 9 of this chapter and IC 6-1.1-2-4, shall transfer the real property on the last assessment list. In addition, the auditor, except as provided in sections 5.5 and 9 of this chapter, shall apportion the assessed value of the real property and all delinquent taxes on the real property among the several owners.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.48, SEC.4; P.L.51-1997, SEC.2.

IC 6-1.1-5-5.5
Real property interest created from previously existing parcel or parcels; auditor's endorsement; tax lien; apportionment of assessed value and delinquent taxes

Sec. 5.5. (a) Before an owner records a transfer of an ownership interest in a parcel of real property that is created after the person became owner of the real property and is created either from a larger previously existing parcel or a combination of previously existing smaller parcels, the owner must submit, except as provided in section 9 of this chapter, the instrument transferring the real property to the county auditor to be entered for taxation.

(b) The county auditor, except as provided in section 9 of this chapter, shall endorse on the instrument "duly entered for taxation subject to final acceptance for transfer" or another endorsement authorized under section 4 of this chapter.

(c) A lien for and the duty to pay property taxes that are due and owing is not released or otherwise extinguished if a county auditor

endorses an instrument of transfer under this section. Property taxes that are due and owing on the affected parcel of property may be collected as if the county auditor had not endorsed the instrument of transfer.

(d) Except as provided in section 9 of this chapter, before the county auditor may enter or transfer real property described in subsection (a) on the last assessment list, enter lots or parcels described in a plat under section 3 of this chapter, consolidate parcels under section 16 of this chapter, or apportion the assessed value of the real property among the owners the owner must pay or otherwise satisfy all property taxes for which the due date has passed as of the date of transfer on each of the parcels of real property from which the platted, consolidated, or transferred property is derived by paying the property tax to the county treasurer of the county in which the real property is located. The county auditor, subject to section 9 of this chapter, may not apportion delinquent taxes described in this subsection among the owners.

As added by P.L.51-1997, SEC.3. Amended by P.L.38-1998, SEC.1; P.L.113-2010, SEC.19.

IC 6-1.1-5-5.7

Auditor's endorsement required for recording of deed creating interest from previously existing parcel or parcels; effect of noncompliance

Sec. 5.7. (a) A county recorder may record or accept for recording a deed or other instrument of conveyance that transfers an ownership interest in real property subject to section 5.5 of this chapter only if the county auditor has endorsed the deed or other instrument of transfer as required by section 5.5 of this chapter.

(b) The failure of any deed or other instrument of conveyance to be endorsed in compliance with section 5.5 of this chapter does not affect the validity of the notice given by the recording of the deed or instrument.

As added by P.L.51-1997, SEC.4.

IC 6-1.1-5-6

Partition or transfer of real property; transcript of judgment; entry in transfer book

Sec. 6. (a) If a court of this state renders a judgment for the partition or transfer of real property, the clerk of the court shall prepare a transcript of the judgment. The transcript shall describe the partition or transfer and shall state the volume and page of the order-book in which the judgment is entered. The transcript shall be signed by the clerk under the seal of the court. Except as provided in section 9 of this chapter, the clerk shall deliver the transcript to the auditor of the county in which the real property is situated. Except as provided in section 9 of this chapter, the auditor shall make the entries on his transfer book, note the transfer upon the back of the transcript, and then deliver the transcript to the recorder of the county. The recorder shall record the transcript in the record of deeds.

(b) For their respective services, the clerk of the court and the county recorder shall each charge the person entitled to the real property the fees the officials are by law permitted to charge for similar services. These fees shall be included as part of the cost of the court proceedings by the court rendering the judgment.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.48, SEC.5.

IC 6-1.1-5-7
Heirs or devisees; transfer on tax duplicate

Sec. 7. (a) A person to whom the title to real property has passed, either under the laws of descent of this state or by virtue of the last will of a decedent, may procure a transfer of the real property on the tax duplicate on which the real property is assessed and taxed. In order to procure the transfer, the person must prepare an affidavit and, except as provided in section 9 of this chapter, file it with the auditor of the county in which the real property is situated. The affidavit shall contain the following information:

(1) the decedent's date of death;
(2) whether the decedent died testate or intestate; and
(3) the affiant's interest in the real property.

In addition, if the decedent died testate, the affiant must attach a certified copy of the decedent's will to the affidavit. However, if the will has been probated or recorded in the county in which the real property is located, the affiant, in lieu of attaching a certified copy of the will, shall state that fact in the affidavit and indicate the volume and page of the record where the will may be found.

(b) Except as provided in section 9 of this chapter, the county auditor shall enter a transfer of the real property in the proper transfer book after the affidavit is filed with his office.

(c) No transfer made under this section has the effect of conferring title upon the person procuring the transfer.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.48, SEC.6.

IC 6-1.1-5-8
List of property; delivery to township or county assessor

Sec. 8. Except as provided in section 9 of this chapter, the county auditor of each county shall annually prepare and deliver to the township assessor (if any) or the county assessor a list of all real property entered in the township or county as of the assessment date. The county auditor shall deliver the list within thirty (30) days after the assessment date. The county auditor shall prepare the list in the form prescribed or approved by the department of local government finance.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.48; P.L.146-2008, SEC.87.

IC 6-1.1-5-9
Duties and authority of assessors in county containing a

consolidated city

Sec. 9. In a county containing a consolidated city:

(1) the township assessor has the duties and authority described in sections 1 through 8 of this chapter; and

(2) the county assessor has the duties and authority described in sections 1 through 8 of this chapter for a township for which there is no township assessor.

These duties and authority include effecting the transfer of title to real property and preparing, maintaining, approving, correcting, indexing, and publishing the list or record of, or description of title to, real property. If a court renders a judgment for the partition or transfer of real property located in a county containing a consolidated city, the clerk of the court shall deliver the transcript to the county assessor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.29, SEC.1; Acts 1979, P.L.48, SEC.7; P.L.54-1988, SEC.2; P.L.146-2008, SEC.88.

IC 6-1.1-5-9.1

Townships of 35,000 or more population; plats and lists

Sec. 9.1. (a) Except:

(1) as provided in subsection (b); and

(2) for civil townships described in section 9 of this chapter;

and notwithstanding the provisions of sections 1 through 8 of this chapter, for all other civil townships having a population of thirty-five thousand (35,000) or more, for a civil township that falls below a population of thirty-five thousand (35,000) at a federal decennial census that takes effect after December 31, 2001, and for all other civil townships in which a city of the second class is located, the township assessor, or the county assessor if there is no township assessor for the township, shall make the real property lists and the plats described in sections 1 through 8 of this chapter.

(b) In a civil township that attains a population of thirty-five thousand (35,000) or more at a federal decennial census that takes effect after December 31, 2001, the county auditor shall make the real property lists and the plats described in sections 1 through 8 of this chapter unless the township assessor determines to assume the duty from the county auditor.

(c) With respect to townships in which the township assessor makes the real property lists and the plats described in sections 1 through 8 of this chapter, the county auditor shall, upon completing the tax duplicate, return the real property lists to the township assessor for the continuation of the lists by the assessor. If land located in one (1) of these townships is platted, the plat shall be presented to the township assessor instead of the county auditor, before it is recorded. The township assessor shall then enter the lots or parcels described in the plat on the tax lists in lieu of the land included in the plat.

As added by Acts 1979, P.L.48, SEC.8. Amended by P.L.178-2002, SEC.9; P.L.146-2008, SEC.89.

IC 6-1.1-5-10
Tract descriptions; delivery of title papers

Sec. 10. If a township assessor, or the county assessor if there is no township assessor for the township, believes that it is necessary to obtain an accurate description of a specific lot or tract, the assessor may demand in writing that the owner or occupant of the lot or tract deliver all the title papers in the owner's or occupant's possession to the assessor for the assessor's examination. If the person fails to deliver the title papers to the assessor at the assessor's office within five (5) days after the demand is mailed, the assessor shall prepare the real property list according to the best information the assessor can obtain. For that purpose, the assessor may examine, under oath, any person whom the assessor believes has any knowledge relevant to the issue.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.90.

IC 6-1.1-5-11
Rules for determining land within tract; required survey

Sec. 11. (a) In order to determine the quantity of land contained within a tract, an assessor shall follow the rules contained in this section.

(b) Except as provided in subsection (c), the assessor shall recognize the quantity of land stated in a deed or patent if the owner or person in whose name the property is listed holds the land by virtue of:

(1) a deed from another party or from this state; or

(2) a patent from the United States.

(c) If land described in subsection (b) has been surveyed subsequent to the survey made by the United States and if the county assessor is satisfied that the tract contains a different quantity of land than is stated in the patent or deed, the assessor shall recognize the quantity of land stated in the subsequent survey.

(d) Except as provided in subsection (f), a county assessor shall demand in writing that the owner of a tract, or person in whose name the land is listed, have the tract surveyed and that the owner or person in whose name the land is listed return a sworn certificate from the professional surveyor stating the quantity of land contained in the tract if:

(1) the land was within the French or Clark's grant; and

(2) the party holds the land under original entry or survey.

(e) If the party fails to return the certificate under subsection (d) within thirty (30) days after the demand is mailed, the assessor shall have a professional surveyor survey the land. The expenses of a survey made under this subsection shall be paid for from the county treasury. However, the county auditor shall charge the survey expenses against the land, and the expenses shall be collected with the taxes payable in the succeeding year.

(f) A county assessor shall not demand a survey of land described in subsection (d) if:

(1) the owner or holder of the land has previously had it surveyed and presents to the assessor a survey certificate which states the quantity of land; or

(2) the assessor is satisfied from other competent evidence, given under oath or affirmation, that the quantity of land stated in the original survey is correct.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.50, SEC.1.) As amended by Acts 1977, P.L.2, SEC.8; P.L.146-2008, SEC.91; P.L.57-2013, SEC.2.

IC 6-1.1-5-12
Repealed

(Repealed by P.L.332-1989(ss), SEC.48.)

IC 6-1.1-5-13
Personal property return; information relating to real property

Sec. 13. Each taxpayer shall provide on a personal property return any information related to real property owned, possessed, or occupied by him if the information is required by the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.49.

IC 6-1.1-5-14
Delivery of real property list

Sec. 14. (a) Not later than:

(1) May 15 in each calendar year ending before January 1, 2017; and

(2) May 1 in each calendar year ending after December 31, 2016;

each township assessor in the county (if any) shall prepare and deliver to the county assessor a detailed list of the real property listed for taxation in the township.

(b) On or before:

(1) July 1 of each calendar year ending before January 1, 2017; and

(2) June 1 in each calendar year ending after December 31, 2016;

each county assessor shall, under oath, prepare and deliver to the county auditor a detailed list of the real property listed for taxation in the county. The county assessor shall prepare the list in the form prescribed by the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.25; P.L.90-2002, SEC.50; P.L.88-2005, SEC.9; P.L.146-2008, SEC.92; P.L.111-2014, SEC.16.

IC 6-1.1-5-15
Assessment registration notices; building permits

Sec. 15. (a) Except as provided in subsection (b), before an owner of real property demolishes, structurally modifies, or improves it at

a cost of more than five hundred dollars ($500) for materials or labor, or both, the owner or the owner's agent shall file with the area plan commission or the county assessor in the county where the property is located an assessment registration notice on a form prescribed by the department of local government finance.

(b) If the owner of the real property, or the person performing the work for the owner, is required to obtain a permit from an agency or official of the state or a political subdivision for the demolition, structural modification, or improvement, the owner or the person performing the work for the owner is not required to file an assessment registration notice.

(c) Each state or local government official or agency shall, before the tenth day of each month, deliver a copy of each permit described in subsection (b) to the assessor of the county in which the real property to be improved is situated. Each area plan commission shall, before the tenth day of each month, deliver a copy of each assessment registration notice described in subsection (a) to the assessor of the county where the property is located.

(d) Before the last day of each month, the county assessor shall distribute a copy of each assessment registration notice filed under subsection (a) or permit received under subsection (b) to the assessor of the township (if any) in which the real property to be demolished, modified, or improved is situated.

(e) A fee of five dollars ($5) shall be charged by the area plan commission or the county assessor for the filing of the assessment registration notice. All fees collected under this subsection shall be deposited in the county property reassessment fund.

(f) A township or county assessor shall immediately notify the county treasurer if the assessor discovers property that has been improved or structurally modified at a cost of more than five hundred dollars ($500) and the owner of the property has failed to obtain the required building permit or to file an assessment registration notice.

(g) Any person who fails to:

(1) file the registration notice required by subsection (a); or

(2) obtain a building permit described in subsection (b);

before demolishing, structurally modifying, or improving real property is subject to a civil penalty of one hundred dollars ($100). The county treasurer shall include the penalty on the person's property tax statement and collect it in the same manner as delinquent personal property taxes under IC 6-1.1-23. However, if a person files a late registration notice, the person shall pay the fee, if any, and the penalty to the area plan commission or the county assessor at the time the person files the late registration notice.

As added by P.L.74-1987, SEC.3. Amended by P.L.332-1989(ss), SEC.5; P.L.41-1993, SEC.6; P.L.90-2002, SEC.51; P.L.228-2005, SEC.15; P.L.146-2008, SEC.93.

IC 6-1.1-5-16

Consolidation of contiguous parcels into single parcel

Sec. 16. (a) An action under this section is subject to section 5.5

of this chapter.

(b) If an owner of existing contiguous parcels makes a written request that includes a legal description of the existing contiguous parcels sufficient for the assessing official to identify each parcel and the area of all contiguous parcels, the assessing official shall consolidate more than one (1) existing contiguous parcel into a single parcel to the extent that the existing contiguous parcels are in a single taxing district and the same section. For existing contiguous parcels in more than one (1) taxing district or one (1) section, the assessing official shall, upon written request by the owner, consolidate the existing contiguous parcels in each taxing district and each section into a single parcel. An assessing official shall consolidate more than one (1) existing contiguous parcel into a single parcel if the assessing official has knowledge that an improvement to the real property is located on or otherwise significantly affects the parcels.

As added by P.L.51-1997, SEC.5. Amended by P.L.38-1998, SEC.2; P.L.113-2010, SEC.20.

IC 6-1.1-5.5

Chapter 5.5. Sales Disclosure Forms

IC 6-1.1-5.5-1

"Conveyance" defined

Sec. 1. As used in this chapter, "conveyance" means any transfer of a real property interest for valuable consideration.

As added by P.L.63-1993, SEC.1. Amended by P.L.144-2008, SEC.1.

IC 6-1.1-5.5-2

"Conveyance document" defined

Sec. 2. (a) As used in this chapter, "conveyance document" means any of the following:

(1) Any of the following that purports to transfer a real property interest for valuable consideration:

(A) A document.

(B) A deed.

(C) A contract of sale.

(D) An agreement.

(E) A judgment.

(F) A lease that includes the fee simple estate and is for a period in excess of ninety (90) years.

(G) A quitclaim deed serving as a source of title.

(H) Another document presented for recording.

(2) Documents for compulsory transactions as a result of foreclosure or express threat of foreclosure, divorce, court order, condemnation, or probate.

(3) Documents involving the partition of land between tenants in common, joint tenants, or tenants by the entirety.

(b) The term does not include the following:

(1) Security interest documents such as mortgages and trust deeds.

(2) Leases that are for a term of less than ninety (90) years.

(3) Agreements and other documents for mergers, consolidations, and incorporations involving solely nonlisted stock.

(4) Quitclaim deeds not serving as a source of title.

(5) Public utility or governmental easements or rights-of-way.

As added by P.L.63-1993, SEC.1. Amended by P.L.144-2008, SEC.2; P.L.182-2009(ss), SEC.90.

IC 6-1.1-5.5-3

Sales disclosure form filing and review process; forwarding and use of forms; confidential information; conveyance of multiple parcels

Sec. 3. (a) For purposes of this section, "party" includes:

(1) a seller of property that is exempt under the seller's ownership; or

(2) a purchaser of property that is exempt under the purchaser's ownership;

from property taxes under IC 6-1.1-10.

(b) Subject to subsections (g) and (h), before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must do the following:

(1) Complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form. For conveyance transactions involving more than two (2) parties, one (1) transferor and one (1) transferee signing the sales disclosure form is sufficient.

(2) Before filing a sales disclosure form with the county auditor, submit the sales disclosure form to the county assessor. The county assessor must review the accuracy and completeness of each sales disclosure form submitted immediately upon receipt of the form and, if the form is accurate and complete, stamp or otherwise approve the form as eligible for filing with the county auditor and return the form to the appropriate party for filing with the county auditor. If multiple forms are filed in a short period, the county assessor shall process the forms as quickly as possible. For purposes of this subdivision, a sales disclosure form is considered to be accurate and complete if:

(A) the county assessor does not have substantial evidence when the form is reviewed under this subdivision that information in the form is inaccurate; and

(B) both of the following conditions are satisfied:

(i) The form contains the information required by section 5(a)(1) through 5(a)(16) of this chapter as that section applies to the conveyance transaction, subject to the obligation of a party to furnish or correct that information in the manner required by and subject to the penalty provisions of section 12 of this chapter. The form may not be rejected for failure to contain information other than that required by section 5(a)(1) through 5(a)(16) of this chapter.

(ii) The form is submitted to the county assessor in a format usable to the county assessor.

(3) File the sales disclosure form with the county auditor.

(c) The auditor shall review each sales disclosure form and process any deduction for which the form serves as an application under IC 6-1.1-12-44. The auditor shall forward each sales disclosure form to the county assessor. The county assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency on or before April 1 in a year ending before January 1, 2016, and on or

before February 1 in a year beginning after December 31, 2015. The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(d) In a county containing a consolidated city, the auditor shall review each sales disclosure form and process any deduction for which the form serves as an application under IC 6-1.1-12-44. The auditor shall forward the sales disclosure form to the appropriate township assessor (if any). The township assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor. The township or county assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency in an electronic format specified jointly by the department of local government finance and the legislative services agency. The forms may be used by the county assessing officials, the county auditor, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(e) If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

(f) County assessing officials, county auditors, and other local officials may not establish procedures or requirements concerning sales disclosure forms that substantially differ from the procedures and requirements of this chapter.

(g) Except as provided in subsection (h), a separate sales disclosure form is required for each parcel conveyed, regardless of whether more than one (1) parcel is conveyed under a single conveyance document.

(h) Only one (1) sales disclosure form is required for the conveyance under a single conveyance document of two (2) or more contiguous parcels located entirely within a single taxing district.

As added by P.L.63-1993, SEC.1. Amended by P.L.6-1997, SEC.26; P.L.89-2001, SEC.2; P.L.90-2002, SEC.52; P.L.245-2003, SEC.6; P.L.1-2004, SEC.9 and P.L.23-2004, SEC.10; P.L.64-2004, SEC.1; P.L.228-2005, SEC.16; P.L.219-2007, SEC.16; P.L.144-2008, SEC.3; P.L.146-2008, SEC.94; P.L.1-2009, SEC.28; P.L.111-2014, SEC.17.

IC 6-1.1-5.5-4

Filing fee; exceptions; distribution of revenue

Sec. 4. (a) Except as provided in subsection (b), a person filing a sales disclosure form under this chapter shall pay a fee of ten dollars

($10) to the county auditor.

(b) No fee is due and payable under subsection (a) if the conveyance to which the sales disclosure form filing applies is either or both of the following:

(1) To a charity.

(2) Under a conveyance document described in section 2(a)(2) or 2(a)(3) of this chapter.

(c) Fifty percent (50%) of the revenue collected under this section and section 12 of this chapter shall be deposited in the county sales disclosure fund established under section 4.5 of this chapter. Fifty percent (50%) of the revenue shall be transferred to the state treasurer for deposit in the state assessment training fund established under section 4.7 of this chapter.

As added by P.L.63-1993, SEC.1. Amended by P.L.198-2001, SEC.21; P.L.178-2002, SEC.10; P.L.144-2008, SEC.4.

IC 6-1.1-5.5-4.5

Sales disclosure funds

Sec. 4.5. (a) The fiscal body of each county shall establish a sales disclosure fund. The county auditor shall deposit into the fund the money received under section 4 of this chapter. Money in the sales disclosure fund may be expended only for:

(1) administration of this chapter;

(2) verification of the information contained on a sales disclosure form;

(3) training of assessing officials; or

(4) purchasing computer software or hardware for a property record system.

(b) The county fiscal body shall appropriate the money in the sales disclosure fund for the purposes stated in subsection (a) based on requests by assessing officials in the county.

As added by P.L.198-2001, SEC.22.

IC 6-1.1-5.5-4.7

Establishment of assessment training and administration fund; permitted uses; investment by treasurer of state; no reversion to state general fund

Sec. 4.7. (a) The assessment training and administration fund is established for the purpose of receiving fees deposited under section 4 of this chapter. Money in the fund may be used by:

(1) the department of local government finance:

(A) to cover expenses incurred in the development and administration of programs for the training of assessment officials and employees of the department, including the examination and certification program required by IC 6-1.1-35.5; and

(B) for data base management expenses; or

(2) the Indiana board to:

(A) conduct appeal activities; or

(B) pay for appeal services.

(b) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(c) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

As added by P.L.198-2001, SEC.23. Amended by P.L.90-2002, SEC.53; P.L.1-2004, SEC.10; P.L.23-2004, SEC.11; P.L.2-2005, SEC.17; P.L.228-2005, SEC.17; P.L.182-2009(ss), SEC.91.

IC 6-1.1-5.5-5

Information required in form; exception

Revisor's Note: P.L.75-2009, SEC.5 required the printing of this section as follows.

Sec. 5. (a) The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number (as defined in IC 6-1.1-1-8.5) of each parcel.

(2) With respect to each parcel, whether the entire parcel is being conveyed.

(3) The address of each improved parcel.

(4) The date of the execution of the form.

(5) The date the property was transferred.

(6) Whether the transfer includes an interest in land or improvements, or both.

(7) Whether the transfer includes personal property.

(8) An estimate of the value of any personal property included in the transfer.

(9) The name, address, and telephone number of:

(A) each transferor and transferee; and

(B) the person that prepared the form.

(10) The mailing address to which the property tax bills or other official correspondence should be sent.

(11) The ownership interest transferred.

(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).

(13) Subject to subsection (c), the total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.

(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.

(15) Any family or business relationship existing between the transferor and the transferee.

(16) A legal description of each parcel subject to the conveyance.

(17) Whether the transferee is using the form to claim one (1) or more deductions under IC 6-1.1-12-44 for property taxes first due and payable in a calendar year after 2008.

(18) If the transferee uses the form to claim the standard deduction under IC 6-1.1-12-37, the information required for a standard deduction under IC 6-1.1-12-37.

(19) Sufficient instructions and information to permit a party to terminate a standard deduction under IC 6-1.1-12-37 on any parcel of property on which the party or the spouse of the party will no longer be eligible for the standard deduction under IC 6-1.1-12-37 after the party or the party's spouse begins to reside at the property that is the subject of the sales disclosure form, including an explanation of the tax consequences and applicable penalties if a party unlawfully claims a standard deduction under IC 6-1.1-12-37.

(20) Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or part or all of the Social Security number of a party, the telephone number or the Social Security number is confidential.

(b) The instructions for completing the form described in subsection (a) must include the information described in IC 6-1.1-12-43(c)(1).

(c) If the conveyance includes more than one (1) parcel as described in section 3(h) of this chapter, the form:

(1) is not required to include the price referred to in subsection (a)(13) for each of the parcels subject to the conveyance; and

(2) may state a single combined price for all of those parcels.

As added by P.L.63-1993, SEC.1. Amended by P.L.90-2002, SEC.54; P.L.64-2004, SEC.2; P.L.228-2005, SEC.18; P.L.154-2006, SEC.3; P.L.144-2008, SEC.5; P.L.75-2009, SEC.1; P.L.87-2009, SEC.1.

IC 6-1.1-5.5-6

Acceptance of form by county auditor; requirements for recording

Sec. 6. (a) The county auditor may not accept a conveyance document if:

(1) the sales disclosure form signed by all the parties and attested as required under section 9 of this chapter is not included with the document; or

(2) the sales disclosure form does not contain the information required by section 5(a)(1) through 5(a)(16) of this chapter as that section applies to the conveyance, subject to the obligation of a party to furnish or correct the information in the manner required by and subject to the penalty provisions of section 12 of this chapter.

(b) The county recorder shall not record a conveyance document without evidence that the parties have filed with the county auditor a sales disclosure form approved by the county assessor as eligible for filing under section 3(b)(2) of this chapter.

As added by P.L.63-1993, SEC.1. Amended by P.L.6-1997, SEC.27;

P.L.154-2006, SEC.4; P.L.144-2008, SEC.6.

IC 6-1.1-5.5-7
Repealed
(Repealed by P.L.6-1997, SEC.239.)

IC 6-1.1-5.5-8
Repealed
(Repealed by P.L.89-2001, SEC.8.)

IC 6-1.1-5.5-9
Sales disclosure form; attestation
Sec. 9. A person who signs a sales disclosure form shall attest in writing and under penalties of perjury that to the best of the person's knowledge and belief the information contained in the sales disclosure form is true and correct.
As added by P.L.63-1993, SEC.1.

IC 6-1.1-5.5-10
Criminal penalties and infractions
Sec. 10. (a) A person who knowingly and intentionally:
(1) falsifies the value of transferred real property; or
(2) omits or falsifies any information required to be provided in the sales disclosure form;
commits a Level 5 felony.
(b) A public official who knowingly and intentionally accepts:
(1) a sales disclosure document for filing that:
(A) falsifies the value of transferred real property; or
(B) omits or falsifies any information required to be provided in the sales disclosure form; or
(2) a conveyance document for recording in violation of section 6 of this chapter;
commits a Class A infraction.
As added by P.L.63-1993, SEC.1. Amended by P.L.6-1997, SEC.28; P.L.178-2002, SEC.11; P.L.144-2008, SEC.7; P.L.158-2013, SEC.80.

IC 6-1.1-5.5-11
Repealed
(Repealed by P.L.6-1997, SEC.239.)

IC 6-1.1-5.5-12
Civil penalties
Sec. 12. (a) A party to a conveyance who:
(1) either:
(A) files a sales disclosure form that does not contain all of the information required by this chapter; or
(B) files a sales disclosure form that contains inaccurate information;
and receives from the township assessor (in a county containing a consolidated city) or the county assessor (in any other county)

written notice of the problems described in clause (A) or (B); and

(2) fails to file a correct sales disclosure form that fully complies with all requirements of this chapter within thirty (30) days after the date of the notice under subdivision (1);

is subject to a penalty in the amount determined under subsection (b).

(b) The amount of the penalty under subsection (a) is the greater of:

(1) one hundred dollars ($100); or

(2) twenty-five thousandths percent (0.025%) of the sale price of the real property transferred under the conveyance document.

(c) The township assessor in a county containing a consolidated city, or the county assessor in any other county, shall:

(1) determine the penalty imposed under this section;

(2) assess the penalty to the party to a conveyance; and

(3) notify the party to the conveyance that the penalty is payable not later than thirty (30) days after notice of the assessment.

(d) The county auditor shall:

(1) collect the penalty imposed under this section;

(2) deposit penalty collections as required under section 4 of this chapter; and

(3) notify the county prosecuting attorney of delinquent payments.

(e) The county prosecuting attorney shall initiate an action to recover a delinquent penalty under this section. In a successful action against a person for a delinquent penalty, the court shall award the county prosecuting attorney reasonable attorney's fees.

As added by P.L.178-2002, SEC.12. Amended by P.L.144-2008, SEC.8.

IC 6-1.1-5.5-13
Expired

(Expired 1-1-2012 by P.L.16-2009, SEC.13.)

IC 6-1.1-6

Chapter 6. Assessment of Certain Forest Lands

IC 6-1.1-6-0.5

"Geo-referenced"

Sec. 0.5. As used in this chapter, "geo-referenced" means a photo with a minimum horizontal accuracy of plus or minus six (6) meters at one (1) meter resolution.

As added by P.L.219-2014, SEC.1.

IC 6-1.1-6-1

Classification

Sec. 1. For the purpose of property taxation, forest land and other land may be classified and assessed under this chapter if the land satisfies the conditions prescribed in this chapter for classification as native forest land, a forest plantation, or wildlands.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.66-2006, SEC.1.

IC 6-1.1-6-2

Forest plantations

Sec. 2. (a) Land may be classified as a forest plantation if it is cleared land which has growing on it a good stand of timber producing trees as that concept is understood by a district forester or a professional forester.

(b) A new forest plantation must have at least four hundred (400) timber producing trees per acre. The trees may be any size but must be well established.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.1; P.L.66-2006, SEC.2.

IC 6-1.1-6-2.5

Wildlands

Sec. 2.5. Land may be classified as wildlands if it contains one (1) or more of the following:

(1) Grasslands that are dominated by native grasses or intermixed with other native herbaceous vegetation.

(2) Wetlands that support a prevalence of native vegetation adopted for saturated conditions.

(3) Early forest successional stands that are dominated by native herbaceous and woody vegetation that will develop into native forest land.

(4) Other lands the department determines is capable of supporting wildlife and conducive to wildlife management.

(5) A body of water.

As added by P.L.66-2006, SEC.3.

IC 6-1.1-6-3

Native forest land

Sec. 3. Land may be classified as native forest land if it contains

at least forty (40) square feet of basal area per acre or at least one thousand (1,000) timber producing trees, of any size, per acre.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.2; P.L.66-2006, SEC.4.

IC 6-1.1-6-3.5
Restrictions on use of classified land

Sec. 3.5. (a) Areas eligible within a parcel of land may contain any of the following:

(1) Nonforest areas containing a good stand of vegetation capable of supporting wildlife that is conducive to wildlife management. A good stand of vegetation must include a diverse stand of vegetation other than monotypic stands or nonnative invasive species, including tall fescue (Festuca arundinacea) and other species designated by the state forester. However, the state forester may allow tall fescue to be used for erosion control.

(2) A body of water that:

(A) is less than two (2) acres in size; or

(B) has an average depth less than four (4) feet.

A parcel may contain more than one (1) isolated body of water.

(b) A parcel may not be converted from native forest land or a forest plantation to a non-forest area without a special permit issued under section 17 of this chapter.

(c) Except for crops cultivated solely for wildlife food or cover, a person may not cultivate nontimber agricultural crops on land classified as wildlands.
As added by P.L.186-2003, SEC.3. Amended by P.L.66-2006, SEC.5.

IC 6-1.1-6-4
Nontimber producing trees

Sec. 4. For purposes of this chapter, the following types of trees are not considered timber producing trees: dogwoods (Cornus); water-beech (Carpinus); ironwood (Ostrya); red bud (Cercis); pawpaw; black haw; pomaceous trees; Christmas trees which are grown for commercial purposes; and other trees listed by the state forester.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.4.

IC 6-1.1-6-5
Size restrictions of classified land parcel

Sec. 5. A parcel of land may not be classified as native forest land, a forest plantation, or wildlands unless it contains at least ten (10) contiguous acres. The parcel may be of any shape but must be at least fifty (50) feet in width.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.5; P.L.66-2006, SEC.6.

IC 6-1.1-6-5.5
Revised application with state forester

Sec. 5.5. (a) A landowner may file a revised application with the state forester under section 11 of this chapter to have classified as native forest land, a forest plantation, or wildlands a parcel of land that:

(1) consists of at least one (1) acre;

(2) meets the requirements of section 3 of this chapter; and

(3) is contiguous to a parcel of land owned by the landowner that is already classified as native forest land, a forest plantation, or wildlands.

(b) A parcel of land described in subsection (a) must be described and platted under section 9 of this chapter. The description and plat under this subsection must be combined with the plat of the existing classified lands.

(c) The revised plat and application prepared under this section:

(1) replace the prior application and plat; and

(2) assume the effective date of the original application for purposes of section 24 of this chapter.

As added by P.L.186-2003, SEC.6. Amended by P.L.66-2006, SEC.7.

IC 6-1.1-6-6
Classification not permitted if building is on parcel

Sec. 6. A parcel of land may not be classified as native forest land, a forest plantation, or wildlands if a dwelling or other building is situated on the parcel.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.7; P.L.66-2006, SEC.8.

IC 6-1.1-6-7
Classification not permitted if grazing on parcel

Sec. 7. A parcel of land may not be classified as native forest land, a forest plantation, or wildlands if it is grazed by domestic animals or confined nondomesticated animals.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.9; P.L.186-2003, SEC.8; P.L.66-2006, SEC.9.

IC 6-1.1-6-8
Repealed

(Repealed by P.L.186-2003, SEC.81.)

IC 6-1.1-6-9
Parcel description

Sec. 9. (a) Except as provided in subsections (b) and (c), a person who:

(1) wishes to have a parcel of land classified as native forest land, a forest plantation, or wildlands; or

(2) submits a revised application due to:

(A) the partial withdrawal of existing classified land;

(B) division of the parcel related to a conveyance; or

(C) the combination of contiguous lands;

must have the parcel described by a professional surveyor. The parcel

must be described by metes and bounds or other professionally accepted practices and must locate the parcel with reference to an established corner. In addition, the description must identify the parcel by section, township, range, and county references. The professional surveyor shall prepare plats of the parcel in ink, and the professional surveyor shall prepare the plats on the scale, and in the number, prescribed by the department of natural resources.

(b) The professional surveyor may use a geo-referenced aerial photograph in order to prepare a description of the parcel. However, the professional surveyor's description must be accurate, and it must meet the requirements specified in subsection (a). If a geo-referenced aerial photograph is used, that fact shall be noted on the application referred to in section 11 of this chapter.

(c) The natural resources commission may adopt rules to allow other means of depicting and identifying parcels classified as native forest land, forest plantation, or wildlands under this section provided that the means do not result in a real property description of the parcel.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.9; P.L.66-2006, SEC.10; P.L.57-2013, SEC.3; P.L.219-2014, SEC.2.

IC 6-1.1-6-10
Repealed

(Repealed by P.L.66-2006, SEC.30.)

IC 6-1.1-6-11
Applications for classification; signatures

Sec. 11. A person who wishes to have a parcel of land classified as native forest land, a forest plantation, or wildlands must file an application in duplicate with the state forester on the forms prescribed by the state forester. The application must include the signature of the owner, the professional surveyor or other person described in rules adopted under section 9(c) of this chapter, the state forester, and the county assessor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.53-1997, SEC.1; P.L.186-2003, SEC.11; P.L.66-2006, SEC.12; P.L.57-2013, SEC.4.

IC 6-1.1-6-12
Approval of applications

Sec. 12. If in the state forester's opinion an application filed under section 11 of this chapter and the land to be classified comply with the provisions of this chapter, the state forester shall approve the application. In addition, the state forester shall notify the auditor of the county in which the land is located that the application has been approved and return one (1) approved application form to the applicant.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.12.

IC 6-1.1-6-13
Recording approved application

Sec. 13. If an application filed under section 11 of this chapter is approved, the applicant shall record the approved application in the applicant's name. However, if the applicant is a partnership, corporation, limited liability company, or association, the applicant shall record the approved application in the name of the partnership, corporation, limited liability company, or association. When an approved application is properly recorded, the county auditor shall enter the land for taxation at an assessed value determined under section 14 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.8-1993, SEC.75; P.L.66-2006, SEC.13.

IC 6-1.1-6-14
Rate of assessment

Sec. 14. Land which is classified under this chapter as native forest land, a forest plantation, or wildlands shall be assessed at one dollar ($1) per acre for general property taxation purposes.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.13; P.L.66-2006, SEC.14.

IC 6-1.1-6-15
Minerals on land; assessment

Sec. 15. If any oil, gas, stone, coal, or other mineral is obtained from land which is classified as native forest land, a forest plantation, or wildlands, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.66-2006, SEC.15.

IC 6-1.1-6-16
Timber and wildlife management standards

Sec. 16. (a) The natural resources commission shall, by rule, establish minimum standards of good timber and wildlife management.

(b) The department of natural resources shall prescribe a management plan for each classified parcel.

(c) The management plan must be followed for the owner to be in compliance with this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.28-1990, SEC.3; P.L.186-2003, SEC.14; P.L.66-2006, SEC.16.

IC 6-1.1-6-17
Special permits

Sec. 17. The state forester may issue special permits for other purposes if the land use authorized by the permit is not inconsistent with this chapter. The maximum amount of land to be utilized in the manner authorized by a special permit may not exceed the lesser of

the following:

(1) Ten percent (10%) of the total acreage.

(2) Five (5) acres.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.15.

IC 6-1.1-6-18

Signs; posting on land

Sec. 18. The owner of a parcel of land which is classified as native forest land, a forest plantation, or wildlands shall post four (4) signs on the parcel. The owner shall place the signs on the boundaries of, and on different sides of, the parcel at the points which are the most conspicuous to the public or at the property corners. The department of natural resources shall furnish the signs and shall designate the size and the wording of the signs.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.16; P.L.66-2006, SEC.17.

IC 6-1.1-6-19

Inspection of land; records

Sec. 19. At least once every seven (7) years the state forester, or the state forester's deputy, shall inspect each parcel of land which is classified as native forest land, a forest plantation, or wildlands. On each inspection trip the state forester, or the state forester's deputy, shall, if possible, have the owner go over the parcel with the state forester and shall point out to the owner any needed improvement. In addition, the state forester shall give the owner a written report of the inspection and the state forester's recommendations. A permanent record of each inspection shall be maintained in the office of the state forester.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.17; P.L.66-2006, SEC.18; P.L.151-2012, SEC.5.

IC 6-1.1-6-20

Withdrawal of land from classification; revised application for remaining eligible land

Sec. 20. (a) If the owner of land which is classified as native forest land, a forest plantation, or wildlands wishes to have the land withdrawn from the classification, the owner shall have the county assessor of the county in which the land is situated assess the land. The county auditor shall determine the taxes that are required under section 24 of this chapter. The owner shall then file a withdrawal request in duplicate with the state forester on forms prescribed by the state forester. The state forester shall withdraw the land from the classification on receipt of the withdrawal forms.

(b) If the owner of land that is classified as native forest land, a forest plantation, or wildlands wishes to have a part of the classified land removed, in addition to the requirements under subsection (a), the owner shall submit a revised application for the remaining eligible land. The revised application assumes the effective date of

the original application.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.18; P.L.66-2006, SEC.19.

IC 6-1.1-6-21
Withdrawal from classification by state; assessment of land

Sec. 21. (a) The state forester shall withdraw land which is classified as native forest land, a forest plantation, or wildlands from the classification if the state forester finds that the provisions of this chapter are not being complied with and that the owner of the land refuses to make the changes necessary for compliance.

(b) If the state forester withdraws land under this section, the state forester shall have the county assessor of the county in which the land is situated assess the land. The county auditor shall determine the taxes that are required under section 24 of this chapter. In addition, the state forester shall immediately notify the owner that the land has been withdrawn.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.19; P.L.66-2006, SEC.20.

IC 6-1.1-6-22
Repealed

(Repealed by P.L.66-2006, SEC.30.)

IC 6-1.1-6-23
Withdrawal of classification; notice to county official

Sec. 23. If land classified as native forest land, a forest plantation, or wildlands is withdrawn from the classification, the state forester shall immediately notify the auditor of the county in which the land is situated that the land has been withdrawn. In addition, when land is withdrawn, the owner of the land shall make a notation of the withdrawal in the records of the county recorder on forms provided by the state forester.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.21; P.L.66-2006, SEC.21.

IC 6-1.1-6-24
Tax payments and penalties upon withdrawal; lien on land; distribution of revenue

Sec. 24. (a) If land that is classified as native forest land, a forest plantation, or wildlands is withdrawn from the classification, the owner shall pay an amount equal to the sum of the following:

(1) The total property taxes that, if it were not for the classification, would have been assessed on the land during the period of classification or the ten (10) year period immediately preceding the date on which the land is withdrawn from the classification, whichever is lesser.

(2) Interest on the property taxes at the rate of ten percent (10%) simple interest per year.

(3) For land that was originally classified after June, 30, 2006,

a penalty amount of one hundred dollars ($100) per withdrawal plus fifty dollars ($50) per acre, unless an amount is established by rule by the natural resources commission. However, the natural resources commission may not increase the penalty amount more than once every five (5) years.

(b) The liability imposed by this section is a lien upon the land withdrawn from the classification. When the county collects the amount, the funds shall be distributed as follows:

(1) Seventy-five percent (75%) of the penalty under subsection (a)(3) shall be transferred by the county auditor to the treasurer of state who shall deposit the amount in the forest restoration fund (IC 14-12-1-11.1).

(2) Twenty-five percent (25%) of the penalty under subsection (a)(3) plus the taxes and interest collected under subsection (a)(1) and (a)(2) shall be deposited by the county auditor into the county general fund.

If the amount is not paid, it shall be treated in the same manner the delinquent taxes on real property are treated.

(c) The county auditor shall determine the tax owed under subsection (a).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.28-1990, SEC.4; P.L.1-1993, SEC.28; P.L.186-2003, SEC.22; P.L.66-2006, SEC.22.

IC 6-1.1-6-25

Effect of conveyance on classification; new application for divided land; disclosure to purchaser

Sec. 25. (a) A conveyance of land which is classified as native forest land, a forest plantation, or wildlands does not release any person acquiring an interest in the land from any obligation or liability imposed under this chapter.

(b) If land that is classified as native forest land, a forest plantation, or wildlands is conveyed in a manner that divides the classified land into two (2) or more parcels, the owner shall file a new application for each parcel. The new application does not affect the original date of the classification.

(c) If the owner of land that is classified as native forest land, a forest plantation, or wildlands decides to sell or convey the classified land, the owner must disclose in writing the following information to the potential purchaser:

(1) That the land is enrolled in the classified land program.

(2) Any potential violations, tax liabilities, and penalties under this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.66-2006, SEC.23.

IC 6-1.1-6-26

Plat and recording expenses

Sec. 26. The expense of the surveyor's plat required by section 9 of this chapter shall be paid by the applicant. The expense of a

recording shall be paid by the applicant.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.186-2003, SEC.23.

IC 6-1.1-6-27
Landowner's report

Sec. 27. The owner of a parcel of land which is classified as native forest land, a forest plantation, or wildlands shall file a report once each year with the state forester on forms furnished by the state forester.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.66-2006, SEC.24.

IC 6-1.1-6.2

Chapter 6.2. Assessment of Certain Windbreaks

IC 6-1.1-6.2-1

Windbreak defined

Sec. 1. As used in this chapter, "windbreak" refers to a field windbreak.

As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-2

Application of chapter

Sec. 2. This chapter applies to a parcel of land classified as a windbreak and assessed as provided in this chapter before July 1, 2003.

As added by P.L.58-1985, SEC.1. Amended by P.L.186-2003, SEC.24.

IC 6-1.1-6.2-3

Criteria for classification

Sec. 3. A parcel of land may be classified as a windbreak if:

(1) it abuts a fence line or a property line;

(2) it abuts arable land;

(3) the landowner enters into an agreement with the department of natural resources establishing standards of windbreak management for the parcel of land as that concept is understood by competent professional foresters;

(4) it is at least fifty (50) feet wide;

(5) it does not contain a dwelling or other usable building; and

(6) no part of it lies within a licensed shooting preserve.

As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-4

Repealed

(Repealed by P.L.186-2003, SEC.81.)

IC 6-1.1-6.2-5

Assessment in county of location; appeal

Sec. 5. (a) A person who wishes to have a parcel of land that is classified as a windbreak withdrawn from classification under section 15 of this chapter must have the land assessed by the county assessor of the county in which the land is located.

(b) If the assessment made by the county assessor is not satisfactory to the owner, the owner may appeal the assessment to a board consisting of the assessor, auditor, and treasurer of the county in which the land is located. The decision of the board is final.

As added by P.L.58-1985, SEC.1. Amended by P.L.186-2003, SEC.25.

IC 6-1.1-6.2-6

(Repealed by P.L.186-2003, SEC.81.)

IC 6-1.1-6.2-7
Repealed
(Repealed by P.L.186-2003, SEC.81.)

IC 6-1.1-6.2-8
Repealed
(Repealed by P.L.186-2003, SEC.81.)

IC 6-1.1-6.2-9
General property taxation assessment; ditch assessments
Sec. 9. Land that is classified under this chapter as a windbreak shall be assessed at one dollar ($1) per acre for general property taxation purposes. However, ditch assessments on the classified land shall be paid.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-10
Assessment of parcel for mineral wealth; placement on tax duplicate
Sec. 10. If any oil, gas, stone, coal, or other mineral is obtained from land that is classified as a windbreak, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-11
Minimum standards of management
Sec. 11. A person who owns or controls land that is classified as a windbreak must follow the minimum standards of windbreak management as prescribed by the department of natural resources.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-12
Issuance of special permits by department
Sec. 12. The department of natural resources may issue special permits under this chapter.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-13
Marking parcel signs
Sec. 13. The owner of a parcel of land that is classified as a windbreak shall mark the parcel with four (4) signs. The owner shall place the signs on the boundaries of and on different sides of the parcel at the points that are the most conspicuous to the public. The department of natural resources shall furnish the signs and shall designate the size and the wording of the signs.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-14
Inspection of parcels by department; report to owner; record

Sec. 14. At least once every two (2) years a representative of the department of natural resources shall inspect each parcel of land that is classified as a windbreak. On each inspection trip, the representative shall, if possible, inspect the parcel with the owner and shall point out to the owner any needed improvement. In addition, the inspector shall give the owner a written report of the inspection and the inspector's recommendations. A permanent record of each inspection shall be maintained in the office of the department of natural resources.

As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-15
Assessment upon withdrawal from classification; transfer to new classification

Sec. 15. (a) If the owner of land that is classified as a windbreak wishes to have the land withdrawn from the classification, the owner shall have the county assessor of the county in which the land is situated assess the land. The county assessor shall make the assessment in the manner prescribed in section 5 of this chapter. The owner shall then file a withdrawal request in duplicate with the department of natural resources on forms prescribed by the department of natural resources. The department of natural resources shall withdraw the land from the classification on receipt of the withdrawal forms.

(b) Land classified as windbreak under this chapter, as forest plantation, native forest land, or wildlands under IC 6-1.1-6 may be transferred from one (1) classification to another, as appropriate, whenever the land transferred qualifies under the new classification. A change in classification does not constitute a withdrawal. Upon subsequent withdrawal from classification, the date of initial classification and the initial classification assessment shall be used in determining any withdrawal payments. The department of natural resources shall furnish the forms necessary to transfer within classifications.

As added by P.L.58-1985, SEC.1. Amended by P.L.66-2006, SEC.25.

IC 6-1.1-6.2-16
Grounds for withdrawal of land by department

Sec. 16. The department of natural resources shall withdraw land that is classified as a windbreak from the classification if it finds that this chapter is not being complied with and that the owner of the land refuses to make the changes necessary for compliance. If the department of natural resources withdraws land under this section, it shall have the county assessor of the county in which the land is situated assess the land. The county assessor shall make the assessment in the manner prescribed in section 5 of this chapter. In addition, the department of natural resources shall immediately notify the owner that the land has been withdrawn.

As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-17
Appeal of assessment of land being withdrawn

Sec. 17. If an assessment made by a county assessor under section 15 or 16 of this chapter is not satisfactory to the owner, the owner may appeal the assessment in the manner prescribed in section 5 of this chapter.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-18
Notice of withdrawal of land to recorder and auditor

Sec. 18. If land classified as a windbreak is withdrawn from the classification, the department of natural resources shall immediately notify the recorder and the auditor of the county in which the land is situated that the land has been withdrawn. In addition, when land is withdrawn, the owner of the land shall make a notation of the withdrawal in the records of the county recorder.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-19
Liability upon withdrawal

Sec. 19. (a) If land that is classified as a windbreak is withdrawn from the classification, the owner shall pay an amount equal to the lesser of:

(1) the sum of:
(A) the total property taxes that, if it were not for the classification, would have been assessed on the land during the period of classification or the ten (10) year period immediately preceding the date on which the land is withdrawn from the classification, whichever is lesser; plus
(B) interest on the property taxes at the rate of ten percent (10%) per year; or

(2) the remainder of:
(A) the withdrawal assessment of the land; minus
(B) the sum of the initial classification assessment of the land and any increase in the initial classification of the land resulting from the subsequent construction of a ditch or levee.

(b) The liability imposed by this section is a lien upon the land withdrawn from the classification. When the amount is collected, it shall be paid into the county general fund. If the amount is not paid, it shall be treated in the same manner that delinquent taxes on real property are treated.

(c) For purposes of this section, "initial classification assessment" means the assessment required under section 5 of this chapter, and "withdrawal assessment" means the assessment required under section 15 or 16 of this chapter.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-20
Obligations and liabilities of persons acquiring interest in windbreak

Sec. 20. A conveyance of land that is classified as a windbreak does not release any person acquiring an interest in the land from any obligation or liability imposed under this chapter.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-21
Payment of expenses

Sec. 21. The expense of the survey required by section 4 of this chapter shall be paid by the applicant. The expense of an assessment that is required under this chapter shall be paid from the county general fund of the county in which the parcel is located. The county assessor is entitled to necessary expenses for services in making an assessment that is required under this chapter.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-22
Annual report of owner

Sec. 22. The owner of a parcel of land that is classified as a windbreak shall file a report once each year with the department of natural resources on forms furnished by the department of natural resources.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-23
Dwellings or other buildings prohibited

Sec. 23. A person may not erect a dwelling or other building on land classified as a windbreak.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-24
Grazing prohibited

Sec. 24. A person may not graze or permit grazing by a domestic animal on land classified as a windbreak.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-25
Alteration of land or vegetation; prohibition; permit

Sec. 25. A person may not burn, mow, or otherwise engage in a practice that would alter land or vegetation on land classified as a windbreak, unless the person has been granted a temporary permit to do so by the department of natural resources.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-26
Cultivation or harvest of crops; permit

Sec. 26. A person may not cultivate or harvest crops on land classified as a windbreak, except crops cultivated or harvested solely

for wildlife food or cover pursuant to a permit issued by the department of natural resources.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.2-27
Furnishing trees and vegetation; advice and assistance

Sec. 27. The department of natural resources shall furnish trees or other appropriate vegetation without charge to the owner of land classified as windbreak and, with the advice and cooperation of the county extension service, shall give advice and technical assistance to the landowner for the establishment and maintenance of the windbreak.
As added by P.L.58-1985, SEC.1.

IC 6-1.1-6.5
Repealed

(Repealed by P.L.66-2006, SEC.30.)

IC 6-1.1-6.7

Chapter 6.7. Assessment of Filter Strips

IC 6-1.1-6.7-1

"Filter strip" defined

Sec. 1. As used in this chapter, "filter strip" refers to a strip or an area of vegetation for removing sediment, organic matter and other pollutants from runoff and wastewater.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-2

Classification of parcels for assessment as filter strips

Sec. 2. For the purpose of property taxation, certain parcels of land may be classified as filter strips and assessed as provided in this chapter.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-3

Requirements for classification as filter strip

Sec. 3. (a) A parcel of land may be classified as a filter strip if the parcel of land meets all of the following requirements:

(1) The parcel of land is adjacent to an:

(A) open water course such as a ditch, creek, or river; or

(B) open body of water such as a wetland or lake.

(2) The parcel of land is at least twenty (20) feet wide but not more than seventy-five (75) feet wide.

(3) The parcel of land does not contain a dwelling or other usable building.

(4) The parcel of land is not used for livestock grazing.

(5) No part of the parcel of land lies within a licensed shooting preserve.

(6) The landowner enters into an agreement with the:

(A) drainage board of jurisdiction along regulated drains; and

(B) county surveyor along nonregulated drains;

with concurrence of the local soil and water conservation district offices.

(b) A filter strip that exists on July 1, 1991, may qualify for classification if:

(1) the parcel meets the requirements of subsection (a); and

(2) the parcel is vegetated with a herbaceous vegetation that meets the seeding specifications of filter strips created after July 1, 1991, as determined by the county surveyor in concurrence with the local soil and water conservation district in which the parcel is located.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-4

Surveyor description of parcel; plats; photographs

Sec. 4. (a) A person who wishes to have a parcel of land classified as a filter strip must have the parcel properly described by the county

surveyor or a professional surveyor. The parcel shall be identified by section, township, range, and county references. Plats of the parcel shall be prepared in ink and on the scale and in the number prescribed by the county surveyor.

(b) An aerial photograph may be used in order to obtain a description of the parcel. However, the description must be accurate and meet the requirements specified in subsection (a). If an aerial photograph is used, that fact shall be noted on the application referred to in section 6 of this chapter.

As added by P.L.55-1991, SEC.1. Amended by P.L.57-2013, SEC.5.

IC 6-1.1-6.7-5

Assessment of parcel; appeal

Sec. 5. (a) A person who wishes to have a parcel of land classified as a filter strip must have the land assessed by the county assessor of the county in which the land is located.

(b) If the assessment made by the county assessor is not satisfactory to the owner, the owner may appeal the assessment to the county property tax assessment board of appeals of the county in which the land proposed for classification is located. The decision of the board is final.

As added by P.L.55-1991, SEC.1. Amended by P.L.276-2001, SEC.1.

IC 6-1.1-6.7-6

Application; form and contents

Sec. 6. (a) A person who wishes to have a parcel of land classified as a filter strip must file an application with the county surveyor on the forms prescribed by the county surveyor. The application must include the following items:

(1) The plats referred to in section 4 of this chapter.

(2) The assessment required under section 5 of this chapter entered in ink by the county assessor.

(3) The signatures of the owner, the professional surveyor (if a professional surveyor is used), the county surveyor, and the county assessor.

(4) A letter of concurrence in the classification from the soil and water conservation district in which the land is located.

(b) If an error or omission affecting the eligibility of the application is discovered by the county surveyor or county assessor, the county surveyor or county assessor shall promptly notify the applicant of the deficiency and allow the applicant to amend the application.

As added by P.L.55-1991, SEC.1. Amended by P.L.53-1997, SEC.4; P.L.57-2013, SEC.6.

IC 6-1.1-6.7-7

Approval of application; notice

Sec. 7. If in the opinion of the county surveyor an application filed under section 6 of this chapter and the land for which classification is requested comply with this chapter, the county surveyor shall

approve the application. In addition, the county surveyor shall notify the auditor and the recorder of the county in which the land is located that the application has been approved. The county surveyor shall return one (1) approved application form to the applicant.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-8
Recordation of approved application

Sec. 8. If an application filed under section 6 of this chapter is approved, the applicant shall record the approved application in the applicant's name. If the applicant is a partnership, a corporation, a limited liability company, or an association, the applicant shall record the approved application in the name of the partnership, corporation, limited liability company, or association. When an approved application is properly recorded, the county auditor shall enter the land for taxation at an assessed value determined under section 9 of this chapter.
As added by P.L.55-1991, SEC.1. Amended by P.L.8-1993, SEC.78.

IC 6-1.1-6.7-9
Assessment rate of filter strips; ditch assessments

Sec. 9. Land that is classified under this chapter as a filter strip shall be assessed at one dollar ($1) per acre for general property taxation purposes. However, ditch assessments on the classified land shall be paid.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-10
Mineral production on land classified as filter strip; assessment

Sec. 10. If any oil, gas, stone, coal, or other mineral is obtained from land that is classified as a filter strip, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-11
Management of filter strip land

Sec. 11. A person who owns or controls land that is classified as a filter strip must follow the minimum standards of filter strip management prescribed by the county surveyor with the concurrence of the soil and water conservation district in which the land is located.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-12
Signs

Sec. 12. The owner of a parcel of land that is classified as a filter strip is encouraged to mark the parcel with a minimum of four (4) signs. The owner shall place the signs on the boundaries of the parcel

at the points that are the most conspicuous to the public.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-13
Inspection of parcels

Sec. 13. At least once every two (2) years the county surveyor or a representative of the soil and water conservation district in which the land is located shall inspect each parcel of land that is classified as a filter strip. On each inspection trip, if possible, the inspector shall inspect the parcel with the owner and shall point out to the owner any needed improvement. In addition, the inspector shall give the owner a written report of the inspection and the inspector's recommendations. A permanent record of each inspection shall be maintained in the office of the county surveyor.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-14
Withdrawal of land from filter strip classification; owner request

Sec. 14. If the owner of land that is classified as a filter strip wishes to have the land withdrawn from the classification, the owner shall have the county assessor of the county in which the land is situated assess the land. The county assessor shall make the assessment in the manner prescribed in section 5 of this chapter. The owner shall then file a withdrawal request in duplicate with the county surveyor on forms prescribed by the county surveyor. The county surveyor shall withdraw the land from the classification on receipt of the withdrawal forms.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-15
Withdrawal of land from filter strip classification; county surveyor findings

Sec. 15. The county surveyor shall withdraw land that is classified as a filter strip from the classification if the surveyor finds that this chapter is not being complied with and that the owner of the land refuses to make the changes necessary for compliance. If the county surveyor withdraws land under this section, the county surveyor shall have the county assessor of the county in which the land is situated assess the land. The county assessor shall make the assessment in the manner prescribed in section 5 of this chapter. In addition, the county surveyor shall immediately notify the owner that the land has been withdrawn from the classification.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-16
Assessment of land following withdrawal; appeal

Sec. 16. If an assessment made by a county assessor under section 14 or 15 of this chapter is not satisfactory to the owner, the owner may appeal the assessment in the manner prescribed in section 5 of this chapter.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-17
Withdrawal of land by county surveyor; notice

Sec. 17. If land classified as a filter strip is withdrawn from the classification, the county surveyor shall immediately notify the recorder and the auditor of the county in which the land is situated that the land has been withdrawn. In addition, when land is withdrawn, the owner of the land shall make a notation of the withdrawal in the records of the county recorder.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-18
Payment upon withdrawal of land; lien

Sec. 18. (a) For purposes of this section, "initial classification assessment" means the assessment required under section 5 of this chapter, and "withdrawal assessment" means the assessment required under section 14 or 15 of this chapter.

(b) If land that is classified as a filter strip is withdrawn from the classification, the owner shall pay an amount equal to the lesser of:

(1) the sum of:

(A) the total property taxes that, if it were not for the classification, would have been assessed on the land during the lesser of the period of classification or the ten (10) year period immediately preceding the date on which the land is withdrawn from the classification; plus

(B) interest on the property taxes at the rate of ten percent (10%) per year; or

(2) the remainder of:

(A) the withdrawal assessment of the land; minus

(B) the sum of the initial classification assessment of the land and any increase in the initial classification of the land resulting from the subsequent construction of a ditch or levee.

(c) The liability imposed by this section is a lien upon the land withdrawn from the classification. When the amount is collected, the amount shall be paid into the county general fund. If the amount is not paid, the lien shall be treated in the same manner that delinquent taxes on real property are treated.
As added by P.L.55-1991, SEC.1. Amended by P.L.1-1992, SEC.14.

IC 6-1.1-6.7-19
Conveyance of filter strip land

Sec. 19. A conveyance of land that is classified as a filter strip does not release any person acquiring an interest in the land from any obligation or liability imposed under this chapter.
As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-20
Expenses

Sec. 20. (a) The applicant shall pay the expense of the description required by section 4 of this chapter.

(b) The expense of an assessment that is required under this chapter shall be paid from the county general fund of the county in which the parcel is located. The county assessor is entitled to necessary expenses for services in making an assessment that is required under this chapter.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-21

Annual report

Sec. 21. The owner of a parcel of land that is classified as a filter strip shall file a report once each year with the county surveyor on forms prescribed by the county surveyor.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-22

Prohibited acts upon filter strip lands

Sec. 22. (a) A person may not do any of the following on land classified as a filter strip:

(1) Except as provided in subsection (b), cultivate or harvest crops.

(2) Erect a dwelling or other building.

(3) Graze a domestic animal or permit grazing by a domestic animal.

(4) Burn.

(5) Mow before July of any year after the first year in which the filter strip is established.

(6) Engage in any practice that permanently alters land or vegetation on the land.

(b) A person may up to three (3) times a year cut grass-legumes for hay on land classified as a filter strip. However, reseeding is required upon recommendation of the county surveyor with the concurrence of the local soil and water conservation district in which the filter strip is located.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-23

Reconstruction of drains; withdrawal assessment

Sec. 23. (a) A reconstruction of an existing drain requires reestablishment of the filter strip in the same dimensions as existed prior to reconstructing the drain.

(b) Filter strips impacted by construction or reconstruction of regulated drains are not subject to withdrawal assessment under section 14 or 15 of this chapter if the landowner reestablishes the existing filter strip boundaries along the new boundaries of the ditch.

(c) Failure to reestablish the filter strip will result in withdrawal from the program.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-24

County drainage boards; establishment and vegetation of filter strips

Sec. 24. The county drainage board may allow the use of construction, reconstruction, or maintenance funds to provide for the establishment and vegetation of filter strips along regulated drains.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.7-25

County surveyor advice and assistance for establishment and maintenance of filter strips

Sec. 25. The county surveyor, in cooperation with the county extension service and the soil and water conservation district in which the land is located, shall give advice and technical assistance to the landowner for the establishment and maintenance of filter strips.

As added by P.L.55-1991, SEC.1.

IC 6-1.1-6.8

Chapter 6.8. Assessment of Cemetery Land

IC 6-1.1-6.8-1

"Director" defined

Sec. 1. As used in this chapter, "director" refers to the director of the division of historic preservation and archeology of the department of natural resources.

As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-2

Classification as cemetery land

Sec. 2. For the purpose of property taxation, land on which a cemetery or burial ground (as defined by IC 14-21-1-3) is located may be classified and assessed under this chapter if the land satisfies the conditions prescribed in this chapter for classification as cemetery land.

As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-3

Registry of Indiana cemeteries and burial grounds

Sec. 3. Land may be classified as cemetery land if it is included in the registry of Indiana cemeteries and burial grounds established under IC 14-21-1-13.5.

As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-4

Buildings on property

Sec. 4. A parcel of land may not be classified as cemetery land if a dwelling or other building is situated on the parcel.

As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-5

Grazing land

Sec. 5. A parcel of land may not be classified as cemetery land if it is grazed by a domestic animal.

As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-6

Surveys

Sec. 6. (a) A person who wishes to have a parcel of land classified as cemetery land must have it surveyed by a professional surveyor. The professional surveyor shall make the survey by metes and bounds and locate the parcel with reference to some established corner. In addition, the professional surveyor shall identify the parcel by section, township, range, and county references. The professional surveyor shall prepare plats of the parcel in ink, and shall prepare the plats on the scale, and in the number, prescribed by the director.

(b) The professional surveyor may use an aerial photograph in order to obtain a description of the parcel. However, the professional

surveyor's description must be accurate and it must meet the requirements specified in subsection (a). If an aerial photograph is used, that fact shall be noted on the application referred to in section 8 of this chapter.
As added by P.L.177-2001, SEC.1. Amended by P.L.57-2013, SEC.7.

IC 6-1.1-6.8-7
Assessment by county assessor

Sec. 7. (a) A person who wishes to have a parcel of land classified as cemetery land must have the land assessed by the county assessor of the county in which the land is located.

(b) The county assessor shall assess the land at its fair market value, including any mineral, stone, oil, or gas value it has.

(c) If the assessment made by the county assessor is not satisfactory to the owner, the owner may appeal the assessment to a board consisting of the assessor, auditor, and treasurer of the county in which the land proposed for classification is located. The decision of the board is final.
As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-8
Application for assessment as cemetery land

Sec. 8. (a) A person who wishes to have a parcel of land classified as cemetery land must file an application in duplicate with the director on the forms prescribed by the director. The application must include the following items:

(1) The plats referred to in section 6 of this chapter.

(2) The assessment required under section 7 of this chapter entered in ink by the county assessor.

(3) The signature of the owner, the professional surveyor, and the county assessor.

(b) If an error or omission affecting the eligibility of the application is discovered by the director or county assessor, the director or county assessor shall promptly notify the applicant of the deficiency and allow the applicant to amend the application.
As added by P.L.177-2001, SEC.1. Amended by P.L.57-2013, SEC.8.

IC 6-1.1-6.8-9
Approval of application

Sec. 9. If in the opinion of the director an application filed under section 8 of this chapter and the land to be classified comply with this chapter, the director shall approve the application. In addition, the director shall notify the auditor and the recorder of the county in which the land is located that the application has been approved, and shall return one (1) approved application form to the applicant.
As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-10
Recordation of approved application

Sec. 10. If an application filed under section 8 of this chapter is

approved, the applicant shall record the approved application in the applicant's name. If the applicant is a partnership, corporation, limited liability company, or association, the applicant shall record the approved application in the name of the partnership, corporation, limited liability company, or association. When an approved application is properly recorded, the county auditor shall enter the land for taxation at an assessed value determined under section 11 of this chapter.
As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-11
Assessment rate

Sec. 11. (a) Except as provided in subsection (b), land that is classified under this chapter as cemetery land shall be assessed at one dollar ($1) per acre for general property taxation purposes.

(b) A cemetery that is less than one (1) acre shall be assessed in the amount of one dollar ($1).
As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-12
Mineral wealth

Sec. 12. If any oil, gas, stone, coal, or other mineral is obtained from land that is classified as cemetery land, the parcel shall immediately be assessed for the oil, gas, stone, coal, or other mineral wealth. The assessed value of the mineral wealth shall then be placed on the tax duplicate.
As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-13
Conveyance

Sec. 13. A conveyance of land that is classified as cemetery land does not release any person acquiring an interest in the land from any obligation or liability imposed under this chapter.
As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-14
Payment of expenses

Sec. 14. The expense of the survey required by section 6 of this chapter shall be paid by the applicant. The expense of an assessment that is required under this chapter shall be paid from the county general fund of the county in which the parcel is located.
As added by P.L.177-2001, SEC.1.

IC 6-1.1-6.8-15
Repealed

(Repealed by P.L.68-2012, SEC.1.)

IC 6-1.1-7

Chapter 7. Taxation of Mobile Homes

IC 6-1.1-7-1

Assessment and taxation; "mobile home" defined

Sec. 1. (a) Mobile homes which are located within this state on the assessment date of a year shall be assessed and taxed for that year in the manner provided in this chapter. If a provision of this chapter conflicts with another provision of this article, the provision of this chapter controls with respect to the assessment and taxation of mobile homes.

(b) For purposes of this chapter, "mobile home" means a dwelling which:

(1) is factory assembled;

(2) is transportable;

(3) is intended for year around occupancy;

(4) exceeds thirty-five (35) feet in length; and

(5) is designed either for transportation on its own chassis or placement on a temporary foundation.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-7-2

Assessing mobile homes

Sec. 2. The department of local government finance may adopt rules in order to provide a method for assessing mobile homes. These rules must be consistent with this article, including the factors required under IC 6-1.1-31-7.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.10; P.L.6-1997, SEC.29; P.L.90-2002, SEC.55; P.L.1-2004, SEC.11 and P.L.23-2004, SEC.12.

IC 6-1.1-7-3

Placement of mobile home; reports

Sec. 3. A person who permits a mobile home to be placed on any land which the person owns, possesses, or controls shall report that fact to the assessor of the township in which the land is located, or the county assessor if there is no township assessor for the township, within ten (10) days after the mobile home is placed on the land. The ten (10) day period commences the day after the day that the mobile home is placed upon the land.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.95.

IC 6-1.1-7-4

Place of assessment

Sec. 4. (a) Except as provided in subsection (b) of this section, a mobile home which is located within this state on the assessment date of a year shall be assessed at the place where it is located.

(b) A mobile home which is located within this state on the assessment date of a year and which is owned by a person who is a

resident of this state shall be assessed at the place where the owner resides on that assessment date unless:

(1) the place where the mobile home is located on the assessment date is different from the place where the owner resides on that date; and

(2) the mobile home is either regularly used or permanently situated at the place where it is located.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-7-5

Township assessor and county assessor duties

Sec. 5. A mobile home which is subject to taxation under this chapter shall be assessed by the assessor of the township within which the place of assessment is located, or the county assessor if there is no township assessor for the township. Each township assessor and the county assessor shall certify the assessments of mobile homes to the county auditor in the same manner provided for the certification of personal property assessments. The township or county assessor shall make this certification on the forms prescribed by the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.56; P.L.146-2008, SEC.96.

IC 6-1.1-7-6

Rate of tax; taxing district

Sec. 6. A tax is imposed upon each mobile home which is located within this state on the assessment date of a year. The rate of this tax for the year is the total rate used by the appropriate taxing district for tangible property taxes which are due that same year. The appropriate taxing district is the one in which the place of asssessment of the mobile home is located.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-7-7

Liability for tax; installment payments

Sec. 7. (a) The owner of a mobile home on the assessment date of a year is liable for the taxes imposed upon the mobile home for that year. Except as provided in subsection (b), the owner shall pay the taxes in two (2) equal, semi-annual installments. These semi-annual installments are due on May 10 and November 10 of the year of assessment.

(b) A county council may adopt an ordinance to require an owner to pay his property tax liability for his mobile home in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars ($25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under IC 6-1.1-22-8.1 shows that an owner's property tax liability for a particular year for a mobile home is less than twenty-five dollars ($25), the owner shall pay the entire tax liability for the mobile home for that year on May 10 of that year.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.57-1986, SEC.1; P.L.3-2008, SEC.33.

IC 6-1.1-7-8
Receipt for payment

Sec. 8. When a person pays the taxes imposed upon a mobile home, the county treasurer shall give the person a receipt for the payment. The county treasurer shall prepare the receipt on the form prescribed by the state board of accounts.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-7-9
Late payment or nonpayment; penalties

Sec. 9. If a semi-annual installment of taxes imposed for a year upon a mobile home is not paid on or before the due date prescribed under section 7 of this chapter, the same penalties apply that are imposed under IC 1971, 6-1.1-37-10 for the late payment of property taxes. In addition, the mobile home and the personal property of a delinquent taxpayer shall be levied upon and sold in the same manner that a taxpayer's personal property is levied upon and sold under IC 1971, 6-1.1-23 for the non-payment of personal property taxes.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-7-10
Movement of mobile home; transfer of title; permits

Sec. 10. (a) A mobile home may not be moved from one (1) location to another unless the owner obtains a permit to move the mobile home from the county treasurer.

(b) The bureau of motor vehicles may not transfer the title to a mobile home unless the owner obtains a permit to transfer the title from the county treasurer.

(c) A county treasurer shall issue a permit which is required to either move, or transfer the title to, a mobile home if the taxes due on the mobile home have been paid. The permit shall state the date it is issued.

(d) After issuing a permit to move a mobile home under subsection (c), a county treasurer shall notify the township assessor of the township to which the mobile home will be moved, or the county assessor if there is no township assessor for the township, that the permit to move the mobile home has been issued.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.203-2013, SEC.1.

IC 6-1.1-7-10.4
Sale of mobile home

Sec. 10.4. The owner of a mobile home who sells the mobile home to another person shall provide the purchaser with the permit required by section 10(b) of this chapter before the sale is consummated.
As added by Acts 1977, P.L.65, SEC.1.

IC 6-1.1-7-11
Movers of mobile homes; possession of permit

Sec. 11. (a) A person who is engaged to move a mobile home may not provide that service unless the owner presents the mover with a permit to move the mobile home and the permit is dated not more than one (1) month before the date of the proposed move. The mover shall retain possession of the permit while the mobile home is in transit.

(b) The mover shall return the permit to the owner of the mobile home when the move is completed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.203-2013, SEC.2.

IC 6-1.1-7-12
Violation of IC 6-1.1-7-11(a); offense

Sec. 12. A person who violates section 11(a) of this chapter commits a Class C infraction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.601.

IC 6-1.1-7-13
Violation of IC 6-1.1-7-3; offense

Sec. 13. A person who violates section 3 of this chapter commits a Class C infraction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.602.

IC 6-1.1-7-14
Violation of IC 6-1.1-7-10.4; offense

Sec. 14. A person who violates section 10.4 of this chapter commits a Class C infraction.

As added by Acts 1977, P.L.65, SEC.2. Amended by Acts 1978, P.L.2, SEC.603.

IC 6-1.1-7-15
Waiver of personal property tax liability on certain mobile homes and manufactured homes; destruction of mobile home or manufactured home by owner required

Sec. 15. (a) This section applies to a mobile home or manufactured home:

(1) that has deteriorated to a degree that it can no longer provide suitable protection from the elements as to be used as a primary place of residence;

(2) that has little or no value as a structure to be rehabilitated for use as a primary place of residence;

(3) on which personal property tax liability has been imposed in an amount that exceeds the estimated resale value of the mobile home or manufactured home; and

(4) that has been abandoned in a mobile home community licensed under IC 16-41-27.

(b) The holder of the title of a mobile home or manufactured home described in subsection (a) may submit a written request to the county assessor for the county where the mobile home or manufactured home is located requesting that personal property tax liability imposed on the mobile home or manufactured home be waived. If the county assessor determines that the property that is the subject of the request meets the requirements in subsection (a), the county assessor shall send to the applicant a letter that waives the property taxes, special assessments, interest, penalties, and costs assessed against the property under this article, subject to compliance with subsection (c). The county assessor shall deliver a copy of the letter to the county auditor and the county treasurer.

(c) Upon receipt of a letter waiving property taxes imposed on a mobile home or manufactured home, the holder of the title of the property that is the subject of a letter issued under subsection (b) shall:

(1) deliver a signed statement to the county assessor stating that the mobile home or manufactured home:

(A) will be dismantled or destroyed either at its present site or at a remote site; and

(B) will not be used again as a dwelling or other shelter; and

(2) dismantle or destroy the mobile home or manufactured home and not use the mobile home or manufactured home as a structure after the issuance date of the letter waiving property taxes.

(d) The county auditor shall remove from the tax duplicate the property taxes, special assessments, interest, penalties, and costs for which a waiver is granted under this section.

As added by P.L.182-2009(ss), SEC.92.

IC 6-1.1-7-16

Duty to develop a system for recording property tax information for mobile homes

Sec. 16. The department of local government finance shall develop a system for recording the property tax information for a mobile home assessed under this chapter using an identification number that is unique to the vehicle identification number of the mobile home. The department of local government finance shall implement the system before January 1, 2015.

As added by P.L.203-2013, SEC.3.

IC 6-1.1-8

Chapter 8. Taxation of Public Utility Companies

IC 6-1.1-8-1

Property owned or used by public utility company

Sec. 1. The property owned or used by a public utility company shall be taxed in the manner prescribed in this chapter. Property used by a public utility company consists of property which the company uses under an agreement whereby the company exercises the beneficial rights of ownership for the major part of a year. When reference is made in this chapter to the "property of" a public utility company or to the public utility "company's property", the reference includes the property owned or used by that company.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-8-2

Definitions

Sec. 2. As used in this chapter:

(1) The term "bridge company" means a company which owns or operates a toll bridge or an approach or facility operated in connection with such a bridge.

(2) The term "bus company" means a company (other than a street railway company) which is principally engaged in the business of transporting persons for hire by bus in or through two (2) or more townships of this state.

(3) The term "definite situs" means a permanent location in one (1) taxing district or a customary location for use in one (1) taxing district.

(4) The term "express company" means a company which is engaged in the business of transporting property by land, air, or water, and which does not itself operate the vehicles (except for terminal pickup and delivery vehicles) of transportation.

(5) The term "light, heat, or power company" means a company which is engaged in the business of furnishing light, heat, or power by electricity, gas, or steam.

(6) The term "pipe line company" means a company which is engaged in the business of transporting or transmitting any gas or fluid (except water) through pipes.

(7) The term "property" includes both tangible and intangible property.

(8) The term "public utility company" means a company which is subject to taxation under this chapter regardless of whether the company is operated by an individual, a partnership, an association, a corporation, a limited liability company, a fiduciary, or any other entity.

(9) The term "railroad company" means a company which owns or operates:

(i) a steam or electric railroad;

(ii) a suburban or interurban railroad;

(iii) a switching or terminal railroad;

(iv) a railroad station, track, or bridge; or

(v) a facility which is part of a railroad system.

(10) The term "railroad car company" means a company (other than a railroad company) which owns or operates cars for the transportation of property on railroads.

(11) The term "sleeping car company" means a company (other than a railroad company) which owns or operates cars for the transportation of passengers on railroads.

(12) The term "street railway company" means a company which operates a passenger transportation business principally within one (1) or more municipalities regardless of whether the transportation vehicles operate on tracks, by means of electric power transmitted through wires, or by means of automotive equipment.

(13) The term "system" means all property owned or used by a public utility company or companies and operated as one (1) unit in furnishing a public utility service.

(14) The term "telephone, telegraph, or cable company" means a company which is principally engaged in the business of communicating by electrical transmission.

(15) The term "tunnel company" means a company which owns or operates a toll tunnel.

(16) The term "unit value" means the total value of all the property owned or used by a public utility company.

(17) The term "water distribution company" means a company which is engaged in the business of selling or distributing water by pipe, main, canal, or ditch.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.10; Acts 1981, P.L.66, SEC.1; Acts 1982, P.L.43, SEC.1; P.L.64-1983, SEC.1; P.L.59-1985, SEC.1; P.L.8-1993, SEC.79.

IC 6-1.1-8-3

Companies subject to taxation; exemptions

Sec. 3. (a) Except as provided in subsection (c), the following companies are subject to taxation under this chapter:

(1) Each company which is engaged in the business of transporting persons or property.

(2) Each company which is engaged in the business of selling or distributing electricity, gas, steam, or water.

(3) Each company which is engaged in the business of transmitting messages for the general public by wire or airwaves.

(4) Each company which is engaged in the business of operating a sewage system or a sewage treatment plant.

(b) The companies which are subject to taxation under this chapter include, but are not limited to:

(1) bridge companies;

(2) bus companies;

(3) express companies;

(4) light, heat, or power companies;

(5) pipeline companies;

(6) railroad companies;
(7) railroad car companies;
(8) sleeping car companies;
(9) street railway companies;
(10) telephone, telegraph, or cable companies;
(11) tunnel companies; and
(12) water distribution companies.

(c) The following persons are not subject to taxation under this chapter:

(1) Aviation companies.
(2) Broadcasting companies.
(3) Television companies.
(4) Water transportation companies.
(5) Companies which are operated by a municipality or a municipal corporation, except those utility companies owned or held in trust by a first class city.
(6) A taxpayer that:
(A) is described in subsection (b);
(B) owns definite situs property that is located in only one (1) taxing district; and
(C) files a personal property tax return for the definite situs property with the county assessor or (if applicable) the township assessor.

A taxpayer that meets the requirements of clauses (A) and (B) may elect to file a personal property tax return for the definite situs property with the county assessor or (if applicable) the township assessor, instead of filing a return for the definite situs property under this chapter.

(7) A taxpayer that:
(A) is participating in a net metering program under 170 IAC 4-4.2 or in a feed-in-tariff program offered by a company described in subsection (b)(4); and
(B) files a personal property tax return for the property with the county assessor or (if applicable) the township assessor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.8, SEC.51; Acts 1981, P.L.66, SEC.2; P.L.64-1983, SEC.2; P.L.59-1985, SEC.2; P.L.168-2013, SEC.1; P.L.2-2014, SEC.18.

IC 6-1.1-8-4

Companies within and partially outside state; tax determinations

Sec. 4. (a) If a public utility company operates a system partially within and partially without this state, the company's property which is subject to taxation under this chapter is:

(1) that property which has a definite situs in this state; and
(2) that property which does not have a definite situs either in this state or in any other state and which the department of local government finance determines is taxable in this state.

(b) To determine the value of an interstate public utility company's property which does not have a definite situs either in this state or in any other state and which is taxable in this state, the department of

local government finance shall consider the value of all the company's property which does not have a definite situs and shall allocate a reasonable portion of that property to this state. The department of local government finance shall make the allocation in a manner which is fair to both the state and the company.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.11; P.L.90-2002, SEC.57.

IC 6-1.1-8-5
Fixed property; definite-situs distributable property; indefinite-situs distributable property

Sec. 5. The property owned or used by the various public utility companies is classified under sections 6 through 18 of this chapter as fixed property, definite-situs distributable property, or indefinite-situs distributable property. When a reference is made in this chapter to fixed property, definite-situs distributable property, or indefinite-situs distributable property, the classifications contained in sections 6 through 18 of this chapter apply.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-8-6
Bridge companies

Sec. 6. (a) The fixed property of a bridge company consists of real property which is not part of a bridge head or right-of-way of the company. The remainder of the bridge company's property is distributable property.

(b) A bridge company's definite-situs distributable property consists of:

(1) bridges;
(2) land on which bridge heads are located; and
(3) the company's rights-of-way.

(c) A bridge company's property which is not described in subsection (a) or (b) is indefinite-situs distributable property. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company has property that is described in either subsection (a) or (b). The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the bridge company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the value of the company's property which is located in the taxing district and which is described in either subsection (a) or (b), and the denominator of which is the value of the company's property which is located in this state and which is described in either subsection (a) or (b).
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.12; P.L.90-2002, SEC.58.

IC 6-1.1-8-7
Bus companies

Sec. 7. (a) The fixed property of a bus company consists of real property.

(b) A bus company's property which is not described in subsection (a) is indefinite-situs distributable property. This property includes, but is not limited to, buses and other mobile equipment. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in or through which the company operates its system. The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the bus company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the company's average daily regularly scheduled passenger vehicle route miles in the taxing district, and the denominator of which is the company's average daily regularly scheduled passenger vehicle route miles in this state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.59; P.L.182-2009(ss), SEC.93.

IC 6-1.1-8-8

Express companies

Sec. 8. (a) The fixed property of an express company consists of real property. The remainder of the express company's property is indefinite-situs distributable property.

(b) The department of local government finance shall apportion and distribute the assessed valuation of an express company's indefinite-situs distributable property among the taxing districts in which the fixed property of the company is located. The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the express company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the value of the company's fixed property which is located in the taxing district, and the denominator of which is the value of the company's fixed property which is located in this state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.60; P.L.182-2009(ss), SEC.94.

IC 6-1.1-8-9

Light, heat, or power companies

Sec. 9. (a) The fixed property of a light, heat, or power company consists of real property which is not part of the company's right-of-ways, transmission system, or distribution system.

(b) A light, heat, or power company's property which is not described as fixed property in subsection (a) of this section is definite-situs distributable property. This property includes, but is not limited to, turbo-generators, boilers, transformers, transmission lines, distribution lines, and pipe lines.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.182-2009(ss), SEC.95.

IC 6-1.1-8-10
Pipe line companies

Sec. 10. (a) The fixed property of a pipe line company consists of real property which is not part of a pipe line or right-of-way of the company.

(b) A pipe line company's property which is not described in subsection (a) is indefinite-situs distributable property. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company's pipe lines are located. The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the pipe line company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the length of the company's pipe lines in the taxing district, and the denominator of which is the length of the company's pipe lines in this state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.61; P.L.182-2009(ss), SEC.96.

IC 6-1.1-8-11
Railroad companies

Sec. 11. (a) The fixed property of the railroad company consists of real property which is not required for the operation of the railroad. The remaining property of the railroad company is distributable property.

(b) A railroad company's definite-situs distributable property consists of the company's:

(1) rights-of-way and road beds;
(2) station and depot grounds;
(3) yards, yard sites, superstructures, turntable, and turnouts;
(4) tracks;
(5) telegraph poles, wires, instruments, and other appliances, which are located on the right-of-ways; and
(6) any other buildings or fixed situs personal property used in the operation of the railroad.

(c) A railroad company's property which is not described in subsection (a) or (b) is indefinite-situs distributable property. This property includes, but is not limited to, rolling stock. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in which the railroad company operates its system. The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the railroad company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the relative value of the company's main lines, branch lines, main tracks, second main tracks, and sidetracks, including all leased lines and tracks, which are located in the taxing district, and the denominator of which is the relative value of the company's main lines, branch lines, main tracks, second main tracks, and sidetracks, including all leased lines

and tracks, which are located in this state.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.62; P.L.182-2009(ss), SEC.97.

IC 6-1.1-8-12
Railroad car companies

Sec. 12. (a) The fixed property of a railroad car company consists of real property. The remainder of the railroad car company's property is indefinite-situs distributable property.

(b) The department of local government finance shall assess a railroad car company's indefinite-situs distributable property on the basis of the average number of cars owned or used by the company within this state during the twelve (12) months of the calendar year preceding the year of assessment. The average number of cars within this state equals the product of:

(1) the sum of "M" plus "E"; multiplied by

(2) a fraction, the numerator of which is "N", and the denominator of which is the number two (2).

"M" equals the mileage traveled by the railroad car company's cars in this state divided by the mileage traveled by the company's cars both within and outside this state. "E" equals the earnings generated by the company's cars in this state divided by the earnings generated by the company's cars both within and outside this state. "N" equals the total number of cars owned or used by the company both within and outside this state.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.13; P.L.78-1987, SEC.1; P.L.90-2002, SEC.63; P.L.182-2009(ss), SEC.98.

IC 6-1.1-8-12.5
Repealed

(Repealed by P.L.59-1985, SEC.37.)

IC 6-1.1-8-13
Sleeping car companies

Sec. 13. (a) The fixed property of a sleeping car company consists of real property.

(b) A sleeping car company's property which is not described in subsection (a) is indefinite-situs distributable property. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in or through which the company operates cars. The department of local government finance shall make the apportionment in a manner which it considers fair.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.64; P.L.182-2009(ss), SEC.99.

IC 6-1.1-8-14
Street railway companies

Sec. 14. (a) The fixed property of a street railway company

consists of real property which is not part of the company's tracks or rights-of-way.

(b) A street railway company's property which is not described in subsection (a) is distributable property. This property includes, but is not limited to:

(1) rights-of-way of the company;

(2) tangible personal property which is located on a right-of-way of the company; and

(3) rolling stock.

(c) The department of local government finance shall apportion and distribute the assessed valuation of a street railway company's indefinite-situs distributable property among the taxing districts in or through which the company operates its system. The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the street railway company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the company's average daily regularly scheduled passenger vehicle route miles in the taxing district, and the denominator of which is the company's average daily regularly scheduled passenger vehicle route miles in this state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.14; P.L.90-2002, SEC.65; P.L.182-2009(ss), SEC.100.

IC 6-1.1-8-15

Telephone, telegraph, or cable companies

Sec. 15. (a) The fixed property of a telephone, telegraph, or cable company consists of real property which is not part of the company's rights-of-way or distribution system.

(b) A telephone, telegraph, or cable company's property which is not described under subsection (a) is indefinite-situs distributable property. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company's lines or cables, including laterals, are located. The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the telephone, telegraph, or cable company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the length of the company's lines and cables, including laterals, which are located in the taxing district, and the denominator of which is the length of the company's lines and cables, including laterals, which are located in this state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.66; P.L.182-2009(ss), SEC.101.

IC 6-1.1-8-16

Tunnel companies

Sec. 16. (a) The fixed property of a tunnel company consists of real property which is not part of a right-of-way of the company. The

remainder of the tunnel company's property is distributable property.

(b) A tunnel company's definite-situs distributable property consists of the company's tunnels and rights-of-way.

(c) A tunnel company's property which is not described in subsection (a) or (b) is indefinite-situs distributable property. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company has property that is described in either subsection (a) or (b). The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the tunnel company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the value of the company's property which is located in the taxing district and which is described in either subsection (a) or (b), and the denominator of which is the value of the company's property which is located in this state and which is described in either subsection (a) or (b).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.67.

IC 6-1.1-8-17

Water distribution companies

Sec. 17. (a) The fixed property of a water distribution company consists of real property which is not part of the company's rights-of-way or distribution system. A well, settling basin, or reservoir (except an impounding reservoir) is not fixed property of a water distribution company if it is used to store treated water or water in the process of treatment.

(b) A water distribution company's property which is not described as fixed property under subsection (a) is indefinite-situs distributable property. The department of local government finance shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company's water mains, including feeder and distribution mains, are located. The amount which the department of local government finance shall distribute to a taxing district equals the product of (1) the total assessed valuation of the water distribution company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the length of the company's water mains, including feeder and distribution mains, which are located in the taxing district, and the denominator of which is the length of the company's water mains, including feeder and distribution mains, which are located in this state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.68; P.L.182-2009(ss), SEC.102.

IC 6-1.1-8-18

Other companies

Sec. 18. For a public utility company which is not within one (1) of the classes of companies whose property is described in sections

6 through 17 of this chapter, the fixed property of the company consists of real property. The remainder of the company's property is indefinite-situs distributable property. The department of local government finance shall, in a manner which it considers fair, apportion and distribute the assessed valuation of the company's indefinite-situs distributable property among the taxing districts in which the company operates its system.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.69; P.L.182-2009(ss), SEC.103.

IC 6-1.1-8-19
Statement of value and description of property; filing deadline; filing amended statements

Sec. 19. (a) Each year a public utility company shall file a statement concerning the value and description of the property which is either owned or used by the company on the assessment date of that year. The company shall file this statement with the department of local government finance in the manner prescribed by the department. A public utility company shall file its statement for a year:

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

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

(1) for distribution purposes;
(2) to correct errors; or
(3) for any other reason, except:
(A) obsolescence; or
(B) the credit for railroad car maintenance and improvements provided under IC 6-1.1-8.2.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.66, SEC.4; P.L.59-1985, SEC.3; P.L.90-2002, SEC.70; P.L.183-2014, SEC.3.

IC 6-1.1-8-20
Failure to file statement; penalty; action by attorney general

Sec. 20. (a) If a public utility company does not file a statement with the department of local government finance on or before the date prescribed under section 19 of this chapter, the company shall pay a penalty of one hundred dollars ($100) per day for each day that the statement is late. However, a penalty under this subsection may not exceed one thousand dollars ($1,000).

(b) The department of local government finance shall notify the attorney general if a public utility company fails to file a statement on or before the due date. The attorney general shall then bring an action in the name of this state to collect the penalty due under this section.

(c) The state auditor shall deposit amounts collected under this

section in the state treasury for credit to the state general fund.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.64-1983, SEC.4; P.L.59-1985, SEC.4; P.L.90-2002, SEC.71; P.L.183-2014, SEC.4.

IC 6-1.1-8-21
Copies of various reports; requests from department of local government finance

Sec. 21. The department of local government finance may ask a public utility company to provide the department with copies of any reports which the company has filed with a state or federal agency if:

(1) the reports are related to the valuation, assessment, or taxation of the company's property; and

(2) the agency has either regulatory or taxing authority.

If the department of local government finance makes such a request, the company shall provide the department with copies of the reports. The department of local government finance may also inspect the original reports filed by the company regardless of whether or not the department has obtained copies of the reports from the company. In addition, the department of local government finance may inspect a public utility company's property, books, and records.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.72.

IC 6-1.1-8-22
Assessment by department of local government finance; subsequent filing of statements by the public utility

Sec. 22. (a) The department of local government finance shall assess the property of a public utility company based upon the information available to the department if the company:

(1) does not file a statement which is required under section 19 of this chapter;

(2) does not permit the department to examine the company's property, books, or records; or

(3) does not comply with a summons issued by the department.

(b) A public utility company may provide the department with a statement under section 19 of this chapter not later than one (1) year after the department makes the department's assessment under this section. If a public utility company does so, the department may amend the assessment it makes under this section in reliance on the public utility company's statement filed under this subsection.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.73; P.L.183-2014, SEC.5.

IC 6-1.1-8-23
Repealed

(Repealed by P.L.182-2009(ss), SEC.460.)

IC 6-1.1-8-24
Township assessor or county assessor determination of assessed

values

Sec. 24. (a) Each year, a township assessor, or the county assessor if there is no township assessor for the township, shall assess the fixed property that as of the assessment date of that year is:

(1) owned or used by a public utility company; and

(2) located in the township or county.

(b) The township or county assessor shall determine the assessed value of fixed property. A township assessor shall certify the assessed values to the county assessor on or before April 1 of the year of assessment. However, in a county with a township assessor in every township, the township assessor shall certify the list to the department of local government finance. The county assessor shall review the assessed values and shall certify the assessed values to the department of local government finance on or before April 10 of that year.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.11; P.L.6-1997, SEC.31; P.L.90-2002, SEC.75; P.L.88-2005, SEC.10; P.L.146-2008, SEC.98.

IC 6-1.1-8-25

Assessment of distributable property

Sec. 25. (a) Each year the department of local government finance shall assess the distributable property which as of the assessment date of that year is owned or used by a public utility company. The department of local government finance shall determine the assessed value of distributable property. The department of local government finance shall equalize its assessments of distributable property in the same manner that it equalizes assessments of tangible property under IC 6-1.1-14.

(b) The department of local government finance shall distribute the assessed valuation of definite-situs distributable property to the taxing district in which the property is located. Except as provided in section 35 of this chapter, the department of local government finance shall apportion and distribute the assessed valuation of indefinite-situs distributable property in the manner prescribed in sections 6 through 18 of this chapter. However, this subsection does not apply to that distributable property which is taxed under section 35 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.66, SEC.5; Acts 1981, P.L.67, SEC.1; P.L.24-1986, SEC.12; P.L.6-1997, SEC.32; P.L.90-2002, SEC.76.

IC 6-1.1-8-26

Valuation of company property

Sec. 26. (a) On or before June 1st of each year, the department of local government finance shall determine the just value of the property of each public utility company. Except for railroad car companies, the department of local government finance shall determine that just value by first determining the approximate unit value of each public utility company. The value of the distributable

property of a public utility company, other than a railroad car company, equals the remainder of:

(1) the unit value of the company; minus

(2) the value of the company's fixed property.

The value of the distributable property of a railroad car company equals the value of all of the company's distributable property multiplied by the adjustment factor provided under section 12 of this chapter.

(b) In order to determine the unit value of a public utility company, the department of local government finance may consider:

(1) book value;

(2) cost of replacement or reproduction, less depreciation;

(3) cost of establishing and developing the business;

(4) amount and market value or sales price of outstanding securities;

(5) valuations determined by another governmental agency or indicated by a judicial decision, including but not limited to determinations made for rate making purposes;

(6) statistics and reports prepared or filed by the company;

(7) statistics and reports prepared by another governmental agency or by a private organization if the organization is considered reliable by investors and investment dealers;

(8) earnings capitalized at a reasonable rate; and

(9) any other information which the department considers relevant.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.66, SEC.6; Acts 1982, P.L.43, SEC.3; P.L.59-1985, SEC.5; P.L.90-2002, SEC.77.

IC 6-1.1-8-27

Certification of assessed value; notification of appeal; review by county assessor

Sec. 27. (a) On or before June 1 of each year, the department of local government finance shall:

(1) make a tentative determination of the distributable property assessed values that are distributable to each taxing unit in Indiana based on the tentative distributable property assessed values determined under section 26 of this chapter; and

(2) certify to the county assessor and the county auditor of each county the distributable property assessed values that the department tentatively determines are distributable to the taxing districts of the county.

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

(b) As soon as the department of local government finance determines its final assessments of distributable property, the department shall certify to the county assessor and the county auditor of each county the distributable property assessed values which the

department determines are distributable to the taxing districts of the county. In addition, if a public utility company has appealed the department of local government finance's final assessment of the company's distributable property, the department shall notify the county auditor of the appeal.

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

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.78; P.L.256-2003, SEC.2; P.L.111-2014, SEC.18.

IC 6-1.1-8-28

Tentative assessment by the department; appeal opportunity

Sec. 28. (a) Each year the department of local government finance shall notify each public utility company of:

(1) the department's tentative assessment of the company's distributable property; and

(2) the value of the company's distributable property used by the department to determine the tentative assessment.

(b) The department of local government finance shall give the notice required by subsection (a) not later than:

(1) September 1 in the case of railroad car companies; and

(2) June 1 in the case of all other public utility companies.

(c) Not later than ten (10) days after a public utility company receives the notice required by subsection (a), the company may:

(1) file with the department its objections to the tentative assessment; and

(2) request that the department hold a preliminary conference on the tentative assessment.

(d) If the public utility company does not file its objections under subsection (c)(1) within the time allowed:

(1) the tentative assessment is considered final; and

(2) the company may appeal the assessment under section 30 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.66, SEC.7; P.L.59-1985, SEC.6; P.L.90-2002, SEC.79; P.L.154-2006, SEC.5.

IC 6-1.1-8-29

Preliminary conference; notice of final assessment

Sec. 29. (a) If a public utility company files its objections to a tentative assessment within the time allowed under section 28(c) of this chapter, the department of local government finance may hold a preliminary conference on the tentative assessment at a time and place fixed by the department. After the preliminary conference, if any, the department of local government finance shall:

(1) make a final assessment of the company's distributable property; and
(2) notify the company of the final assessment.

(b) The department of local government finance must give notice of the final assessment under this section not later than:
(1) September 30 in the case of railroad car companies; and
(2) June 30 in the case of all other public utility companies.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.66, SEC.8; P.L.59-1985, SEC.7; P.L.90-2002, SEC.80; P.L.154-2006, SEC.6.

IC 6-1.1-8-30
Appeal to Indiana board; appeal to tax court

Sec. 30. (a) A public utility company may initiate an appeal of the final assessment of the company's distributable property by filing a petition with the Indiana board not later than forty-five (45) days after:
(1) the public utility company receives notice of the tentative assessment under section 28(a) of this chapter if the final assessment becomes final under section 28(d) of this chapter; or
(2) the department of local government finance gives the public utility company notice of the final determination under section 29(a) of this chapter.

(b) A public utility company may petition for judicial review of the Indiana board's final determination to the tax court under IC 6-1.1-15-5. However, the company must:
(1) file a petition for judicial review; and
(2) mail to the county auditor of each county in which the public utility company's distributable property is located:
(A) a notice that the petition was filed; and
(B) instructions for obtaining a copy of the petition;

not later than forty-five (45) days after the date of the notice of the Indiana board's final determination.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.291-1985, SEC.2; P.L.198-2001, SEC.24; P.L.178-2002, SEC.13; P.L.154-2006, SEC.7; P.L.219-2007, SEC.17.

IC 6-1.1-8-31
Appeal of final judgment; court procedure

Sec. 31. When a public utility company petitions for judicial review under section 30 of this chapter, the tax court shall:
(1) try the case without a jury;
(2) give preference to the case to ensure a prompt trial;
(3) review the Indiana board's final determination;
(4) presume the findings of the Indiana board are correct; and
(5) order the department of local government finance to file certified copies of the department's records related to the assessment if the company asks the court to issue such an order.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.78-1987, SEC.3; P.L.198-2001, SEC.25.

IC 6-1.1-8-32
Setting aside final determination; grounds

Sec. 32. When a public utility company initiates an appeal under section 30 of this chapter, the tax court may set aside the Indiana board's final determination and direct the Indiana board to refer the matter to the department of local government finance with instructions to make another assessment if:

(1) the company shows that the department's final assessment, the department's apportionment and distribution of the final assessment, or the Indiana board's final determination is clearly incorrect because the department or the Indiana board violated the law or committed fraud; or

(2) the company shows that the department's final assessment is not supported by substantial evidence.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.291-1985, SEC.3; P.L.198-2001, SEC.26.

IC 6-1.1-8-33
Appeal of township or county assessor's assessment of fixed property

Sec. 33. A public utility company may appeal a township or county assessor's assessment of fixed property in the same manner that it may appeal a township or county assessor's assessment of tangible property under IC 6-1.1-15.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.99.

IC 6-1.1-8-34
Rate of tax; time of payment

Sec. 34. Except for:

(1) a railroad car company's indefinite-situs distributable property; and

(2) the distributable property of a railroad company that provides service within a commuter transportation district established under IC 8-5-15 and utilizes electricity to power substantially all of its railroad passenger cars;

the various taxing units shall tax public utility company property assessed for a particular year at the same tax rates at which tangible property assessed for that same year is taxed. The public utility companies shall pay the taxes in the year following the year of assessment at the same time that taxes on tangible property are due under IC 6-1.1-22-9.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.67, SEC.2.

IC 6-1.1-8-35
Indefinite-situs distributable property of railroad car companies; distributable property of certain railroads; computation of tax; disposition of tax proceeds

Sec. 35. (a) Each year the department of local government finance

shall tax:

(1) the indefinite-situs distributable property of railroad car companies; and

(2) the distributable property of a railroad company that provides service within a commuter transportation district established under IC 8-5-15 and utilizes electricity to power substantially all of its railroad passenger cars.

The department of local government finance shall compute the tax on a railroad car company's indefinite-situs distributable property based upon the average property tax rate in this state. The average property tax rate in this state for a year equals (A) the total of the property taxes in this state that will come due during that year divided by (B) the total net assessed valuation of property in this state for the preceding year's assessment. The department of local government finance shall base its computation of the average property tax rate for a year upon information which is available to the department as of December 31 of the preceding year. The department of local government finance shall compute the tax on a railroad company's distributable property based upon the average property tax rate that is imposed by taxing districts that are located in any county in which a railroad company, that is taxed under this section, provides railroad services. The average property tax rate of taxing districts that are located in any county in which a railroad company that is taxed under this section equals (i) the total of the property taxes in those taxing districts that will come due during that year divided by (ii) the total net assessed valuation of property in those districts for the preceding year's assessment. The department of local government finance shall base its computation on the average property tax rate for a year upon information which is available to the board as of December 31 of the preceding year.

(b) The department of local government finance shall certify the tax it imposes on indefinite-situs distributable property of railroad car companies and a railroad company's distributable property taxed under this section to the department of state revenue. Each of those companies shall pay the tax to the department of state revenue on or before December 31of the year the assessment is made. If one (1) of those companies does not pay the tax when it is due, the company shall pay a penalty, in addition to the tax, equal to twenty-five percent (25%) of the delinquent tax. When the tax imposed on indefinite-situs distributable property of railroad car companies by this chapter becomes delinquent, the department of state revenue shall proceed with the collection of the delinquent tax and penalty in accordance with the provisions of IC 6-8.1-8.

(c) The department of state revenue shall promptly deposit all amounts collected under this section that are derived from indefinite-situs distributable property of railroad car companies in the state treasury for credit to the commuter rail service fund established by IC 8-3-1.5-20.5 to be used as provided in IC 8-3-1.5-20.5(c).

(d) The department of state revenue shall promptly deposit all amounts collected under this section from a railroad company in the

state treasury for credit to the electric rail service fund established by IC 8-3-1.5-20.6.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.50, SEC.1; Acts 1981, P.L.66, SEC.9; Acts 1981, P.L.67, SEC.3; Acts 1982, P.L.43, SEC.4; P.L.73-1983, SEC.6; P.L.59-1985, SEC.8; P.L.253-1999, SEC.1; P.L.291-2001, SEC.232; P.L.90-2002, SEC.81; P.L.85-2011, SEC.1.

IC 6-1.1-8-35.1
Repealed
(Repealed by P.L.59-1985, SEC.37.)

IC 6-1.1-8-35.2
Retention and use of certain funds under section 35 of this chapter by commuter transportation district
Sec. 35.2. Notwithstanding section 35(c) of this chapter, as amended by P.L.253-1999, amounts that were:
(1) collected under section 35 of this chapter after June 30, 1999, and before January 1, 2001, and were derived from indefinite-situs distributable property of railroad car companies;
(2) credited to the commuter rail service fund established by IC 8-3-1.5-20.5; and
(3) distributed to a commuter transportation district;
may be retained by the commuter transportation district and used by the commuter transportation district for any legal purpose.
As added by P.L.220-2011, SEC.120.

IC 6-1.1-8-36
Payment of taxes regardless of pending appeal; injunction; reassessment of distributable property
Sec. 36. (a) A public utility company shall pay any taxes which are based upon the department of local government finance's assessment of distributable property regardless of whether or not an appeal of the assessment is pending. However, the collection of the taxes may be enjoined pending an original tax appeal under IC 33-26.
(b) The department of local government finance shall reassess distributable property and shall certify the reassessment to the county auditor of each county in which the property is taxable if:
(1) the Indiana board:
(A) sets aside the department's original assessment and orders the department to reassess the distributable property; or
(B) refers the matter to the department under section 32 of this chapter with instructions to make another assessment; and
(2) the decision of:
(A) the Indiana board is not appealed to the tax court; or
(B) the tax court in which the matter was referred to the department under section 32 of this chapter is not appealed to the supreme court.

(c) If the tax court sets aside the Indiana board's final determination and the Indiana board reassesses distributable property, the Indiana board shall certify the reassessment to the county auditor of each county in which the property is taxable if the decision of the tax court is not appealed to the supreme court.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.291-1985, SEC.4; P.L.90-2002, SEC.82; P.L.98-2004, SEC.70.

IC 6-1.1-8-37
Reassessment of distributable property; refunds or taxes due

Sec. 37. (a) If:

(1) the department of local government finance's reassessment of distributable property is less than the department's original assessment; or

(2) the Indiana board's reassessment of distributable property is less than the department's original assessment;

the auditor of each affected county shall compute the tax refund, if any, which is due the public utility company. The county auditor shall then issue a warrant to the company for the amount of the refund due, and the county treasurer shall pay the warrant, without an appropriation for the disbursement.

(b) If:

(1) the department of local government finance's reassessment of distributable property is greater than the department's original assessment; or

(2) the Indiana board's reassessment of distributable property is greater than the department's original assessment;

the auditor of each affected county shall enter the difference as an assessment of omitted property. The county auditor shall compute and the county treasurer shall collect the additional tax due in he same manner that taxes on omitted property are computed and collect. However, the county officials may not charge penalty or interest on the additional tax due unless the public utility company does not pay the tax within thirty (30) days after the date notice of the additional tax due is given to the company.

(c) The accounts of the various taxing units shall be credited or charged with each unit's proportionate share of additional taxes collected and refunds made under this section.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.83.

IC 6-1.1-8-38
Lien; collection of delinquent taxes; penalties

Sec. 38. (a) Taxes which are based upon an assessment which is made under this chapter are a lien upon the property assessed. This lien accrues on the assessment date of the year of assessment. In addition, the taxes are a personal debt of the public utility company in whose name the property is assessed.

(b) If a public utility company does not pay the taxes when they are due, the county treasurer shall notify the prosecuting attorney of

that fact. The prosecuting attorney shall then bring an action against the company to recover the delinquent taxes or to enforce the lien upon the property, or both. In such an action, the judgment shall include a penalty equal to fifty percent (50%) of the delinquent taxes. This subsection does not apply to taxes on a railroad car company's indefinite-situs distributable property.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-8-39
Omitted property; assessment

Sec. 39. The annual assessments of a public utility company's property are presumed to include all the company's property which is subject to taxation under this chapter. However, this presumption does not preclude the subsequent assessment of a specific item of tangible property which is clearly shown to have been omitted from the assessments for that year. The appropriate township assessor, or the county assessor if there is no township assessor for the township, shall make assessments of omitted fixed property. The department of local government finance shall make assessments of omitted distributable property. However, the department of local government finance may not assess omitted distributable property after the expiration of ten (10) years from the last day of the year in which the assessment should have been made.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.84; P.L.146-2008, SEC.100.

IC 6-1.1-8-40
Omitted property; rate of assessment; interest

Sec. 40. When the department of local government finance assesses distributable property which was omitted from the assessment for a particular year, the department shall, as nearly as possible, assess the omitted distributable property in the same manner that the department assesses other distributable property. The taxes due on the omitted distributable property shall be calculated by using the same tax rates which were applicable for the tax year that the distributable property was omitted from the assessment. The public utility company shall pay interest on the taxes due on the omitted distributable property at the rate of two percent (2%) per month, or fraction of a month. The interest due shall be calculated on the period of time beginning with January 1 of the year following the year in which the property was omitted from the assessment and ending with the day the taxes are paid. However, the department of local government finance may waive any portion of the interest due under this section at the time the department makes its final assessment of the omitted distributable property.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.64-1983, SEC.3; P.L.90-2002, SEC.85.

IC 6-1.1-8-41
Valuation methods used in other states

Sec. 41. The department of local government finance shall keep itself informed about the methods which other states use to value public utility companies.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.86.

IC 6-1.1-8-42
Rules and regulations; promulgation

Sec. 42. (a) The department of local government finance shall promulgate rules and regulations to provide equal treatment for the public utility companies within each classification. These rules and regulations may not:

(1) prohibit the assessment and taxation of a company's property which is subject to taxation under this chapter; or

(2) prohibit the department of local government finance from making adjustments in those cases where the rules and regulations would result in an assessment that would be unfair to the state or to the public utility company.

(b) The department of local government finance may adopt rules and regulations to carry out the intent and provisions of this chapter. The rules and regulations must be consistent with this chapter.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.87.

IC 6-1.1-8-43
Purpose of chapter; conflicting provisions

Sec. 43. This chapter is designed to provide special rules for the assessment and taxation of public utility company property. If a provision of this chapter conflicts with any provision of another chapter of this article, the provision of this chapter controls with respect to the assessment and taxation of public utility company property.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-8-44
Reinstatement of utility property rules; prohibition against amendment of certain rules by department of local government finance

Sec. 44. (a) Except to the extent that it conflicts with a statute and subject to subsection (f), 50 IAC 5.1 (as in effect January 1, 2001), which was formerly incorporated by reference into this section, is reinstated as a rule.

(b) Tangible personal property within the scope of 50 IAC 5.1 (as in effect January 1, 2001) shall be assessed on the assessment dates in calendar years 2003 and thereafter in conformity with 50 IAC 5.1 (as in effect January 1, 2001).

(c) The publisher of the Indiana Administrative Code shall publish 50 IAC 5.1 (as in effect January 1, 2001) in the Indiana Administrative Code.

(d) 50 IAC 5.2 and any other rule to the extent that it conflicts

with this section is void.

(e) A reference in 50 IAC 5.1 to a governmental entity that has been terminated or a statute that has been repealed or amended shall be treated as a reference to its successor.

(f) The department of local government finance may not amend or repeal the following (all as in effect January 1, 2001):

(1) 50 IAC 5.1-6-6.
(2) 50 IAC 5.1-6-7.
(3) 50 IAC 5.1-6-8.
(4) 50 IAC 5.1-6-9.
(5) 50 IAC 5.1-8-1.
(6) 50 IAC 5.1-9-1.
(7) 50 IAC 5.1-9-2.

As added by P.L.192-2002(ss), SEC.29. Amended by P.L.245-2003, SEC.7.

IC 6-1.1-8.2

Chapter 8.2. Credit for Railroad Car Maintenance and Improvements

IC 6-1.1-8.2-1

"Qualified expenditures" defined

Sec. 1. (a) As used in this chapter, "qualified expenditures" means expenditures made by a taxpayer during a particular calendar year on the maintenance or improvement in Indiana of railroad cars owned or used by the taxpayer.

(b) The term includes, but is not limited to, the following:

(1) Expenses for:

(A) labor;

(B) materials; or

(C) overhead;

that are incurred by a taxpayer in the maintenance or improvement of a railroad car owned or used by the taxpayer.

(2) Payments made by a taxpayer to others for the purpose of performing the maintenance or improvement of a railroad car.

As added by P.L.253-1999, SEC.2.

IC 6-1.1-8.2-2

"Taxpayer" defined

Sec. 2. As used in this chapter, "taxpayer" means a railroad car company (as defined by IC 6-1.1-8-2).

As added by P.L.253-1999, SEC.2.

IC 6-1.1-8.2-3

"Tax liability" defined

Sec. 3. As used in this chapter, "tax liability" means a railroad car company's tax liability under IC 6-1.1-8-35. The term does not include interest or penalties.

As added by P.L.253-1999, SEC.2.

IC 6-1.1-8.2-4

Entitlement to credit

Sec. 4. A taxpayer is entitled to a credit against the taxpayer's tax liability in an amount set forth in section 5 of this chapter.

As added by P.L.253-1999, SEC.2.

IC 6-1.1-8.2-5

Determination of amount of credit

Sec. 5. (a) Subject to subsection (b), the amount of the credit that a taxpayer is entitled to under section 4 of this chapter for a particular calendar year is equal to the lesser of:

(1) twenty-five percent (25%) of the qualified expenditures made by the taxpayer in the calendar year immediately preceding the calendar year in which the tax liability is imposed; or

(2) the taxpayer's total tax liability for the calendar year.

(b) The total amount of credits provided under this chapter in a calendar year may not exceed two million eight hundred thousand dollars ($2,800,000). If the total amount of credits applied for in a calendar year exceeds the maximum provided under this subsection, each taxpayer's credit shall be reduced by an amount determined under the following STEPS:

STEP ONE: Divide the maximum amount of credits provided by this chapter for the year by the total amount of credits applied for under this chapter for the year.

STEP TWO: Multiply the STEP ONE result by the total amount of credits applied for by the taxpayer for the year.

As added by P.L.253-1999, SEC.2.

IC 6-1.1-8.2-6

Filing expenditure statement

Sec. 6. To obtain the credit provided by section 4 of this chapter for a particular calendar year, a taxpayer must file with the department of local government finance an accurate statement of the qualified expenditures that entitle the taxpayer to a credit. The statement must be filed:

(1) in the form prescribed by the department of local government finance; and

(2) with the statement required for the calendar year to which the credit applies under IC 6-1.1-8-19.

As added by P.L.253-1999, SEC.2. Amended by P.L.90-2002, SEC.88.

IC 6-1.1-8.5

Chapter 8.5. Assessment of Industrial Facilities in Lake County

IC 6-1.1-8.5-1

"Industrial company" defined

Sec. 1. As used in this chapter, "industrial company" means an owner or user of industrial property.

As added by P.L.151-2001, SEC.3.

IC 6-1.1-8.5-2

"Industrial facility" defined

Sec. 2. As used in this chapter, "industrial facility" means a company's real property that:

(1) has been classified as industrial property under the rules of the department of local government finance; and

(2) has a true tax value, as estimated by the department, of at least twenty-five million dollars ($25,000,000) in a qualifying county.

The term includes real property that is used under an agreement under which the user exercises the beneficial rights of ownership for the majority of a year. The term does not include real property assessed under IC 6-1.1-8.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.89.

IC 6-1.1-8.5-3

"Qualifying county" defined

Sec. 3. As used in this chapter, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

As added by P.L.151-2001, SEC.3.

IC 6-1.1-8.5-4

Repealed

(Repealed by P.L.90-2002, SEC.528.)

IC 6-1.1-8.5-5

Facility to be assessed in prescribed manner

Sec. 5. An industrial facility located in a qualifying county shall be assessed in the manner prescribed in this chapter.

As added by P.L.151-2001, SEC.3.

IC 6-1.1-8.5-6

County assessor to provide list of industrial facilities annually to the department of local government finance

Sec. 6. Before January 1 of each year the county assessor of each qualifying county shall provide the department of local government finance a list of each industrial facility located in the qualifying county.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.90; P.L.182-2009(ss), SEC.104.

IC 6-1.1-8.5-7
Notice of newly constructed facilities

Sec. 7. (a) The township assessor (if any) of each township in a qualifying county shall notify the department of local government finance of a newly constructed industrial facility that is located in the township served by the township assessor. The county assessor shall perform this duty for a township in a qualifying county if there is no township assessor for the township.

(b) Each building commissioner in a qualifying county shall notify the department of local government finance of a newly constructed industrial facility that is located in the jurisdiction served by the building commissioner.

(c) The department of local government finance shall schedule an assessment under this chapter of a newly constructed industrial facility within six (6) months after receiving notice of the construction under this section.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.91; P.L.146-2008, SEC.101.

IC 6-1.1-8.5-8
Reassessment by the department; local officials may not reassess

Sec. 8. (a) For purposes of:

(1) a general reassessment under IC 6-1.1-4-4;

(2) a reassessment of a group of parcels under a county's reassessment plan prepared under IC 6-1.1-4-4.2; or

(3) a new assessment;

the department of local government finance shall assess each industrial facility in a qualifying county.

(b) The following may not assess an industrial facility in a qualifying county:

(1) A county assessor.

(2) An assessing official.

(3) A county property tax assessment board of appeals.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.92; P.L.154-2006, SEC.8; P.L.112-2012, SEC.23.

IC 6-1.1-8.5-9
Support of department's assessor

Sec. 9. The county assessor of the qualifying county in which an industrial facility is located shall provide support to the assessor of the department of local government finance during the course of the assessment of the industrial facility.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.93.

IC 6-1.1-8.5-10
Certification of true tax values

Sec. 10. (a) When the department of local government finance determines its final assessments of an industrial facility under this chapter, the department shall certify the true tax values to the county assessor and the county auditor of the qualifying county in which the property is located. In addition, if an industrial company has appealed the department of local government finance's final assessment of the industrial facility, the department of local government finance shall notify the county auditor of the appeal.

(b) The county assessor of a qualifying county shall review the certification of the department of local government finance to determine if any of an industrial company's property has been omitted and notify the department of additions the county assessor finds are necessary. The department of local government finance shall consider the county assessor's findings and make any additions to the certification the department of local government finance finds are necessary. The county auditor shall enter for taxation the assessed valuation of an industrial facility that is certified by the department of local government finance.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.94.

IC 6-1.1-8.5-11

Appeal of industrial facility assessment to the Indiana board; appeal procedure; deadline for determination

Sec. 11. (a) The industrial company that owns or uses the industrial facility assessed by the department of local government finance under this chapter may appeal that assessment to the Indiana board. Subject to subsections (b), (c), (d), and (e), the county assessor of the county in which the industrial facility assessed by the department of local government finance is located may appeal that assessment to the Indiana board.

(b) The county assessor of a qualifying county may not expend public money appealing an assessment under this section unless the following requirements are met before a petition for review is submitted to the Indiana board:

(1) The county assessor submits to the county fiscal body a written estimate of the cost of the appeal.

(2) The county fiscal body adopts a resolution approving the county assessor's proposed expenditure to carry out the appeal.

(3) The total amount of the proposed expenditure is in accordance with an appropriation made by the county fiscal body in the manner provided by law.

(c) Except as otherwise provided in subsections (d) and (e), an appeal under this section shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. An assessment made under this chapter that is not appealed under this section is a final unappealable order of the department of local government finance.

(d) With respect to an appeal filed by a county assessor under this section the following apply:

(1) In the petition for review to the Indiana board, the county assessor shall state what the county assessor contends the assessed value of the industrial facility should be and provide substantial evidence in support of that contention. Failure to comply with this requirement results in dismissal of the county assessor's petition for review and no further appeal of the assessment by the county assessor may be taken.

(2) Not later than thirty (30) days after the county assessor files a petition for review in compliance with subdivision (1), the Indiana board shall hold a hearing at which the county assessor must establish a reasonable likelihood of success on any contentions made in the petition for review including, without limitation, the contention required under subdivision (1) regarding the assessed value of the real estate. The industrial company whose industrial facility is the subject of the county assessor's petition for review and the department of local government finance has the right to appear at this hearing and to present testimony, to cross-examine witnesses, and to present evidence regarding the county assessor's contentions.

(3) Not later than thirty (30) days after the hearing held under subdivision (2), the Indiana board shall issue a determination whether the county assessor has established a reasonable likelihood of success on the contentions in the petition for review. If the Indiana board determines that the county assessor has not established a reasonable likelihood of success on the contentions in the petition for review, the county assessor's petition for review shall be dismissed and no further appeal of the assessment by the county assessor may be taken. If the Indiana board determines that the county assessor has established a reasonable likelihood of success on the contentions in the petition for review, the Indiana board's determination does not create the presumption that the county assessor's contentions are valid. A determination by the Indiana board that the county assessor has established a reasonable likelihood of success on the contentions in the petition for review may be appealed to the Indiana tax court as an interlocutory appeal. A party may petition for review by the Indiana supreme court of the Indiana tax court's ruling regarding an interlocutory appeal brought under this subdivision.

(4) The Indiana board shall not hold a hearing on the appeal under IC 6-1.1-15-4 and the county assessor shall not be permitted to conduct discovery under the Indiana board's administrative rules until a determination has been issued under subdivision (3) and:

(A) any interlocutory appeal under subdivision (3) has been ruled on by the Indiana tax court; or

(B) the Indiana supreme court has either rejected a petition for review concerning the Indiana tax court's ruling on the interlocutory appeal or issued a decision regarding the Indiana tax court's ruling on the interlocutory appeal.

(e) On any appeal that has not been dismissed, the Indiana board shall issue an order within one (1) year after:

(1) the taxpayer filed its petition for review;

(2) the issuance of the Indiana board's determination under subsection (d)(3) in the case of an appeal by the county assessor; or

(3) the Indiana tax court or Indiana supreme court rules on a taxpayer's interlocutory appeal under subsection (d)(3) in the case of an appeal by the county assessor;

whichever is latest.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.95; P.L.182-2009(ss), SEC.105.

IC 6-1.1-8.5-12

Rules

Sec. 12. The department of local government finance shall adopt rules to provide just valuations of industrial facilities under this chapter.

As added by P.L.151-2001, SEC.3. Amended by P.L.90-2002, SEC.96.

IC 6-1.1-8.5-13

Conflicts with provisions in other chapters

Sec. 13. This chapter is designed to provide special rules for the assessment and taxation of industrial facilities in a qualifying county. If a provision of this chapter conflicts with a provision of another chapter of this article, the provision of this chapter controls with respect to the assessment and taxation of an industrial facility.

As added by P.L.151-2001, SEC.3.

IC 6-1.1-8.7

Chapter 8.7. Assessment of Industrial Facilities

IC 6-1.1-8.7-1

"Industrial company" and "department"

Sec. 1. As used in this chapter:

(1) "industrial company" means an owner or user of industrial property; and

(2) "department" refers to the department of local government finance.

As added by P.L.198-2001, SEC.27.

IC 6-1.1-8.7-2

"Industrial facility"

Sec. 2. As used in this chapter, "industrial facility" means a company's real property that:

(1) has been classified as industrial property under the rules of the department; and

(2) has a true tax value, as estimated by the department, of at least twenty-five million dollars ($25,000,000) in a county.

The term includes real property that is used under an agreement under which the user exercises the beneficial rights of ownership for the majority of a year. The term does not include real property assessed under IC 6-1.1-8.

As added by P.L.198-2001, SEC.27.

IC 6-1.1-8.7-3

Petitions for reassessment of industrial facilities

Sec. 3. (a) Two hundred fifty (250) or more owners of real property in a township may petition the department to assess the real property of an industrial facility in the township.

(b) An industrial company may at any time petition the department to assess the real property of an industrial facility owned or used by the company.

(c) Before January 1 of any year, the county assessor of the county in which an industrial facility is located may petition the department to assess the real property of the industrial facility for the assessment date in the following year.

As added by P.L.198-2001, SEC.27. Amended by P.L.219-2007, SEC.18; P.L.113-2010, SEC.21; P.L.112-2012, SEC.24.

IC 6-1.1-8.7-4

Assessments by department of local government finance

Sec. 4. The department may assess the real property of an industrial facility pursuant to a petition filed under section 3 of this chapter.

As added by P.L.198-2001, SEC.27. Amended by P.L.219-2007, SEC.19.

IC 6-1.1-8.7-5

Scheduling of assessments

Sec. 5. (a) If the department determines to assess an industrial facility pursuant to a petition filed under section 3(b) or 3(c) of this chapter, the department shall schedule the assessment not later than six (6) months after receiving the petition.

(b) If the department determines to assess an industrial facility pursuant to a petition filed under section 3(a) of this chapter, the department shall schedule the assessment not later than three (3) months after the assessment date for which the petition was filed.

As added by P.L.198-2001, SEC.27. Amended by P.L.219-2007, SEC.20; P.L.113-2010, SEC.22.

IC 6-1.1-8.7-6

Support from county assessors

Sec. 6. The county assessor of the county in which the industrial facility is located shall provide support to the department's assessor during the course of the assessment of an industrial facility.

As added by P.L.198-2001, SEC.27.

IC 6-1.1-8.7-7

Certification of values; appeal and review

Sec. 7. (a) When the department determines its final assessments of an industrial facility, the department shall certify the true tax values to the county assessor and the county auditor of the county in which the property is located. In addition, if an industrial company has appealed the department's final assessment of the industrial facility, the department shall notify the county auditor of the appeal.

(b) The county assessor shall review the certification of the department to determine if any of an industrial company's property has been omitted and notify the department of additions the county assessor finds are necessary. The department shall consider the county assessor's findings and make any additions to the certification the department finds are necessary. The county auditor shall enter for taxation the assessed valuation of an industrial facility that is certified by the department.

As added by P.L.198-2001, SEC.27.

IC 6-1.1-8.7-8

Appeal of industrial facility assessment to the Indiana board; appeal procedure; deadline for determination

Sec. 8. (a) The industrial company that owns or uses the industrial facility assessed by the department under this chapter may appeal that assessment to the Indiana board. Subject to subsections (b), (c), (d), and (e), the county assessor of the county in which the industrial facility is located may appeal an assessment by the department made under this chapter to the Indiana board.

(b) The county assessor of a qualifying county may not expend public money appealing an assessment under this section unless the following requirements are met before a petition for review is submitted to the Indiana board:

(1) The county assessor submits to the county fiscal body a written estimate of the cost of the appeal.

(2) The county fiscal body adopts a resolution approving the county assessor's proposed expenditure to carry out the appeal.

(3) The total amount of the proposed expenditure is in accordance with an appropriation made by the county fiscal body in the manner provided by law.

(c) Except as otherwise provided in subsections (d) and (e), an appeal under this section shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. An assessment made under this chapter that is not appealed under this section is a final unappealable order of the department.

(d) With respect to an appeal filed by a county assessor under this section the following apply:

(1) In the petition for review to the Indiana board, the county assessor shall state what the county assessor contends the assessed value of the industrial facility should be and provide substantial evidence in support of that contention. Failure to comply with this requirement results in dismissal of the county assessor's petition for review, and no further appeal of the assessment by the county assessor may be taken.

(2) Not later than thirty (30) days after the county assessor files a petition for review in compliance with subdivision (1), the Indiana board shall hold a hearing at which the county assessor must establish a reasonable likelihood of success on any contentions made in the petition for review including, without limitation, the contention required under subdivision (1) regarding the assessed value of the real estate. The industrial company whose industrial facility is the subject of the county assessor's petition for review and the department have the right to appear at this hearing and to present testimony, to cross-examine witnesses, and to present evidence regarding the county assessor's contentions.

(3) Not later than thirty (30) days after the hearing held under subdivision (2), the Indiana board shall issue a determination whether the county assessor has established a reasonable likelihood of success on the contentions in the petition for review. If the Indiana board determines that the county assessor has not established a reasonable likelihood of success on the contentions in the petition for review, the county assessor's petition for review shall be dismissed, and no further appeal of the assessment by the county assessor may be taken. If the Indiana board determines that the county assessor has established a reasonable likelihood of success on the contentions in the petition for review, the Indiana board's determination does not create the presumption that the county assessor's contentions are valid. A determination by the Indiana board that the county assessor has established a reasonable likelihood of success on the contentions in the petition for review may be appealed to the Indiana tax court as an interlocutory appeal. A party may

petition for review by the Indiana supreme court of the Indiana tax court's ruling regarding an interlocutory appeal brought under this subdivision.

(4) The Indiana board shall not hold a hearing on the appeal under IC 6-1.1-15-4 and the county assessor shall not be permitted to conduct discovery under the Indiana board's administrative rules until a determination has been issued under subdivision (3) and:

(A) any interlocutory appeal under subdivision (3) has been ruled on by the Indiana tax court; or

(B) the Indiana supreme court has either rejected a petition for review concerning the Indiana tax court's ruling on the interlocutory appeal or issued a decision regarding the Indiana tax court's ruling on the interlocutory appeal.

(e) On any appeal that has not been dismissed, the Indiana board shall issue an order within one (1) year after:

(1) the taxpayer filed its petition for review;

(2) the issuance of the Indiana board's determination under subsection (d)(3) in the case of an appeal by the county assessor; or

(3) the Indiana tax court or the Indiana supreme court rules on a taxpayer's interlocutory appeal under subsection (d)(3) in the case of an appeal by the county assessor;

whichever is latest.

As added by P.L.198-2001, SEC.27. Amended by P.L.219-2007, SEC.21; P.L.182-2009(ss), SEC.106.

IC 6-1.1-8.7-9

Adoption of rules

Sec. 9. The department may adopt rules to provide just valuations of industrial facilities under this chapter.

As added by P.L.198-2001, SEC.27. Amended by P.L.219-2007, SEC.22.

IC 6-1.1-8.7-10

Conflict of laws

Sec. 10. This chapter is designed to provide special rules for the assessment and taxation of certain industrial facilities. If a provision of this chapter conflicts with a provision of another chapter of this article, the provision of this chapter controls with respect to the assessment and taxation of an industrial facility.

As added by P.L.198-2001, SEC.27.

IC 6-1.1-9

Chapter 9. Assessment of Omitted or Undervalued Tangible Property

IC 6-1.1-9-1

Notice to taxpayers

Sec. 1. If a township assessor (if any), county assessor, or county property tax assessment board of appeals believes that any taxable tangible property has been omitted from or undervalued on the assessment rolls or the tax duplicate for any year or years, the official or board shall give written notice under IC 6-1.1-3-20 or IC 6-1.1-4-22 of the assessment or increase in assessment. The notice shall contain a general description of the property and a statement describing the taxpayer's right to a review with the county property tax assessment board of appeals under IC 6-1.1-15-1.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.41-1993, SEC.7; P.L.6-1997, SEC.33; P.L.1-2004, SEC.12 and P.L.23-2004, SEC.13; P.L.219-2007, SEC.23; P.L.146-2008, SEC.102.

IC 6-1.1-9-2

Adjustment statement; filing

Sec. 2. If under this chapter any omitted or undervalued tangible property is assessed or its assessed valuation is increased, the board or official who makes the adjustment shall file with the county auditor a written statement which contains:

(1) the reasons why the action was taken; and

(2) the facts or evidence on which the reasons are based.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-9-3

Increasing assessment; limitation; failure to file or fraudulent filing

Sec. 3. (a) If a taxpayer files a personal property return for a particular year, personal property which is omitted from or undervalued on the return may be assessed, or its assessed value may be increased, only if the notice required under section 1 of this chapter is given within three (3) years after the date the return is filed. However, if the taxpayer's personal property return for a particular year substantially complies with the provisions of this article and the regulations of the department of local government finance, an assessing official or a county property tax assessment board of appeals may change the assessed value claimed by the taxpayer on the return only within the time period prescribed in IC 6-1.1-16-1.

(b) If a taxpayer fails to file a personal property return for a particular year, the taxpayer's personal property may be assessed for that year only if the notice required by section 1 of this chapter is given within ten (10) years after the date on which the return for that year should have been filed.

(c) If a taxpayer files a fraudulent personal property return, or fails to file a return with the intent to evade the payment of property taxes, the assessment limitations prescribed in subsections (a) and (b) do not

apply.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.34; P.L.90-2002, SEC.97.

IC 6-1.1-9-4
Prior year assessments; notice; bona fide purchasers; lien exemptions

Sec. 4. (a) Real property may be assessed, or its assessed value increased, for a prior year under this chapter only if the notice required by section 1 of this chapter is given within three (3) years after the assessment date for that prior year.

(b) With respect to real property which is owned by a bona fide purchaser without knowledge, no lien attaches for any property taxes which result from an assessment, or an increase in assessed value, made under this chapter for any period before his purchase of the property.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-9-5
Petition for review; changing tax duplicate

Sec. 5. If a timely petition for review is not filed, the county auditor shall immediately make changes in the tax duplicate to reflect the assessment adjustments made under this chapter. If a timely petition for review is filed, the county auditor may not make the changes until the adjustments are finally determined on review and appeal.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-9-6
Discovering undervalued or omitted property; examination of record

Sec. 6. The county assessor shall obtain from the county auditor or the township assessors (if any) all returns for tangible property made by the township assessors of the county and all assessment lists, schedules, statements, maps, and other books and papers filed with the county auditor by the township assessors. For purposes of discovering undervalued or omitted property, the county assessor shall carefully examine the county tax duplicates and all other pertinent records and papers of the county auditor, treasurer, recorder, clerk, sheriff, and surveyor. The county assessor shall, in the manner prescribed in this article, assess all omitted or undervalued tangible property which is subject to assessment.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.103.

IC 6-1.1-9-7
Examination of records; expenses

Sec. 7. If a county assessor believes that a taxpayer of his county has not properly reported any personal property and that it is thus necessary to examine any records, property, or persons situated

outside the county, he shall inform the county board of commissioners of his belief. If the board is satisfied that the examination is necessary, the board may direct the county assessor to conduct it. If the board so directs, the county assessor shall make the examination. The board of commissioners shall pay the expenses incurred by the county assessor in making the examination if he submits an itemized statement of his expenses and a voucher for each item of expense.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-9-8
Repealed
(Repealed by P.L.41-1993, SEC.52.)

IC 6-1.1-9-9
Petition to department of local government finance not required
Sec. 9. A petition to the department of local government finance is not necessary with respect to any assessment, or increase in assessed valuation, which is made under this chapter.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.98.

IC 6-1.1-9-10
Correction of overreporting
Sec. 10. (a) If in the course of a review of a taxpayer's personal property assessment under this chapter an assessing official or the assessing official's representative or contractor discovers an error indicating that the taxpayer has overreported a personal property assessment, the assessing official shall:
(1) adjust the personal property assessment to correct the error; and
(2) process a refund or credit for any resulting overpayment.
(b) Application of subsection (a) is subject to the restrictions of IC 6-1.1-11-1.
As added by P.L.154-2006, SEC.9.

IC 6-1.1-10

Chapter 10. Exemptions

IC 6-1.1-10-1

United States property

Sec. 1. (a) The property of the United States and its agencies and instrumentalities is exempt from property taxation to the extent that this state is prohibited by law from taxing it. However, any interest in tangible property of the United States shall be assessed and taxed to the extent this state is not prohibited from taxing it by the Constitution of the United States.

(b) If the United States provides for the payment of money in lieu of property taxes upon tangible property which is exempt from taxation, the payment shall be made to and settled by the department of local government finance. The department of local government finance may make appraisements, assessments, and agreements and may do all acts necessary to the ascertainment, settlement, and collection of such a payment. The department of local government finance may distribute amounts so received to the taxing units that would be entitled to the money if the payment were for taxes upon the property. However, if the payment is made by the United States for the rendition of a particular service, the department of local government finance shall distribute the payment to the taxing unit which rendered the service. Where payment is made for a service, the department of local government finance may not make a settlement with the United States without the prior approval of the taxing unit involved.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.99.

IC 6-1.1-10-2

State property; property leased to a state agency

Sec. 2. (a) Except as otherwise provided by law, the property owned by this state, a state agency, or the bureau of motor vehicles commission is exempt from property taxation.

(b) Real property leased to a state agency is exempt from property taxes if the lease, regardless of the commencement date, requires the state agency to reimburse the owner for property taxes. If a state agency leases less than all of a parcel of real property, the exemption provided by this subsection is a partial exemption that is equal to the part of the gross assessed value of the real property attributable to the part of the real property leased by the state agency.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1991, SEC.34; P.L.257-2013, SEC.3.

IC 6-1.1-10-3

Bridges and tangible appurtenant property

Sec. 3. (a) A bridge, including the tangible property appurtenant to it, is exempt from property taxation if:

(1) the bridge is constructed:

(A) entirely within this state and across a navigable stream; or

(B) across a stream forming a boundary of this state;

(2) the bridge is owned by a state or a political subdivision of a state; and

(3) the bridge:

(A) is (except as provided in subsection (b) of this section) operated free of tolls; or

(B) was authorized or consented to by an act of Congress.

(b) The exemption provided in this section may not be denied because tolls are charged if the tolls are levied:

(1) to establish a sinking fund for the cost, including interest and other financing charges, of the bridge and its approaches; or

(2) to provide for the proper maintenance, repair, and operation of the bridge and its approaches.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.42-2011, SEC.5.

IC 6-1.1-10-4
Political subdivision property

Sec. 4. Except as otherwise provided by law, the property owned by a political subdivision of this state is exempt from property taxation.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-5
Municipal property

Sec. 5. (a) Property is exempt from property taxation if it is owned by a city or town and is used to provide a municipal service.

(b) For purposes of this section, property used to provide a municipal service includes:

(1) a public school or library;

(2) a municipally owned park, golf course, playground, swimming pool, hospital, waterworks, electric utility, gas or heating plant, sewage treatment or disposal plant, cemetery, auditorium, or gymnasium; and

(3) any other municipally owned property, utility, or institution.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.15.

IC 6-1.1-10-5.5
Urban homesteading property

Sec. 5.5. Real property that is held under IC 36-7-17 or IC 36-7-17.1 and that is conveyed by contract with retention of the deed by the city is deemed to be the property of the city held for municipal purposes and is exempt from property taxation.

(Formerly: Acts 1975, P.L.195, SEC.4.) As amended by Acts 1981, P.L.11, SEC.22; P.L.118-2013, SEC.3.

IC 6-1.1-10-6
Municipally owned water company property

Sec. 6. (a) Property which is owned by a domestic corporation of this state is exempt from property taxation if:

(1) the corporation owns a water system or waterworks;

(2) the corporation is, pursuant to a contract, supplying its entire output of water at wholesale rates to a city or town of this state; and

(3) the city or town which receives the water owns at least ninety-five percent (95%) of the corporation's capital stock.

(b) For purposes of this section, stock is preferred stock and not capital stock if:

(1) fixed dividends are payable to the stock owner at a rate not to exceed six percent (6%) per year; and

(2) the stock owner has no further right to participate in the profits of the corporation.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-7
Nonprofit water companies

Sec. 7. Property is exempt from property taxation if it is owned by a non-profit corporation which is engaged in the sale and distribution of water. However, this exemption only applies if the corporation is operated on a not-for-profit basis.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.65-1983, SEC.1.

IC 6-1.1-10-8
Nonprofit sewage disposal company

Sec. 8. Property is exempt from property taxation if it is owned by a non-profit corporation which is engaged in a sewage disposal service within a rural area of this state. However, this exemption only applies if the corporation is operated on a not-for-profit basis.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-9
Industrial waste control facilities

Sec. 9. (a) For purposes of this section, "industrial waste control facility" means personal property which is:

(1) included either as a part of or an adjunct to a privately owned manufacturing or industrial plant or coal mining operation; and

(2) used predominantly to:

(A) prevent, control, reduce, or eliminate pollution of a stream or a public body of water located within or adjoining this state by treating, pretreating, stabilizing, isolating, collecting, holding, controlling, or disposing of waste or contaminants generated by the plant; or

(B) meet state or federal reclamation standards for a coal mining operation.

The term includes personal property that is under construction or in the process of installation and that will be used for the purposes described in this subsection when placed in service. The term also includes spare parts held exclusively for installation in or as part of personal property that qualifies for the exemption under this section.

(b) An industrial waste control facility is exempt from property taxation if it is not used in the production of property for sale.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.16; P.L.79-1987, SEC.1; P.L.41-1993, SEC.8.

IC 6-1.1-10-10

Industrial waste control facilities; claiming exemptions; investigations; determinations of department

Sec. 10. (a) The owner of an industrial waste control facility who wishes to obtain the exemption provided in section 9 of this chapter shall file an exemption claim along with the owner's annual personal property return. The claim shall describe and state the assessed value of the property for which an exemption is claimed.

(b) The owner shall, by registered or certified mail, forward a copy of the exemption claim to the department of environmental management. The department shall acknowledge its receipt of the claim.

(c) The department of environmental management may investigate any claim. The department may also determine if the property for which the exemption is claimed is being utilized as an industrial waste control facility. Within one hundred twenty (120) days after a claim is mailed to the department, the department may certify its written determination to the township or county assessor with whom the claim was filed.

(d) The determination of the department remains in effect:

(1) as long as the owner owns the property and uses the property as an industrial waste control facility; or

(2) for five (5) years;

whichever is less. In addition, during the five (5) years after the department's determination the owner of the property must notify the county assessor and the department in writing if any of the property on which the department's determination was based is disposed of or removed from service as an industrial waste control facility.

(e) The department may revoke a determination if the department finds that the property is not predominantly used as an industrial waste control facility.

(f) The township or county assessor, in accord with the determination of the department, shall allow or deny in whole or in part each exemption claim. However, if the owner provides the assessor with proof that a copy of the claim has been mailed to the department, and if the department has not certified a determination to the assessor within one hundred twenty (120) days after the claim has been mailed to the department, the assessor shall allow the total exemption claimed by the owner.

(g) The assessor shall reduce the assessed value of the owner's

personal property for the year for which an exemption is claimed by the amount of exemption allowed.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.143-1985, SEC.183; P.L.80-1987, SEC.1; P.L.41-1993, SEC.9; P.L.146-2008, SEC.104.

IC 6-1.1-10-11
Industrial waste control facilities; appeal of exemption claims

Sec. 11. A determination by the department of environmental management under section 10 of this chapter may be appealed by the property owner to the circuit court of the county in which the property is located. The court shall try the appeal without a jury. Either party may appeal the circuit court's decision in the same manner that other civil cases may be appealed.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.143-1985, SEC.184.

IC 6-1.1-10-12
Stationary or unlicensed mobile air pollution control system

Sec. 12. (a) Personal property is exempt from property taxation if:

(1) it is part of a stationary or unlicensed mobile air pollution control system of a private manufacturing, fabricating, assembling, extracting, mining, processing, generating, refining, or other industrial facility;

(2) it is not primarily used in the production of property for sale;

(3) it is employed predominantly in the operation of the air pollution control system;

(4) the air pollution control system is designed and used for the improvement of public health and welfare by the prevention or elimination of air contamination caused by industrial waste or contaminants;

(5) a sanitary treatment or elimination service for the waste or contaminants is not provided by public authorities; and

(6) it is acquired for the purpose of complying with any state, local, or federal environmental quality statutes, regulations, or standards.

(b) The property that is exempt under this section includes the following personal property:

(1) Personal property that is under construction or in the process of installation and that will be used for the purposes described in subsection (a) when placed in service.

(2) Spare parts held exclusively for installation in or as part of personal property that qualifies for the exemption under this section.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.37, SEC.1; P.L.41-1993, SEC.10.

IC 6-1.1-10-13
Stationary or unlicensed mobile air pollution control system; claim

for exemption

Sec. 13. (a) The owner of personal property which is part of a stationary or unlicensed mobile air pollution control system who wishes to obtain the exemption provided in section 12 of this chapter shall claim the exemption on the owner's annual personal property return. On the return, the owner shall describe and state the assessed value of the property for which the exemption is claimed.

(b) The township or county assessor shall:

(1) review the exemption claim; and

(2) allow or deny it in whole or in part.

In making the decision, the township or county assessor shall consider the requirements stated in section 12 of this chapter.

(c) The township or county assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.37, SEC.2; P.L.146-2008, SEC.105.

IC 6-1.1-10-14

Industrial waste control facility; stationary air purification system; action on exemption claim treated as assessment

Sec. 14. The action taken by a township or county assessor on an exemption claim filed under section 10 or 13 of this chapter shall be treated as an assessment of personal property. Thus, the assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.106.

IC 6-1.1-10-15

Public airports

Sec. 15. (a) The acquisition and improvement of land for use by the public as an airport and the maintenance of commercial passenger aircraft is a municipal purpose regardless of whether the airport or maintenance facility is owned or operated by a municipality. The owner of any airport located in this state, who holds a valid and current public airport certificate issued by the Indiana department of transportation, may claim an exemption for only so much of the land as is reasonably necessary to and used for public airport purposes. A person maintaining commercial passenger aircraft in a county having a population of:

(1) more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000); or

(2) more than three hundred thousand (300,000) but less than four hundred thousand (400,000);

may claim an exemption for commercial passenger aircraft not subject to the aircraft excise tax under IC 6-6-6.5 that is being assessed under this article, if it is located in the county only for the purposes of maintenance.

(b) The exemption provided by this section is noncumulative and

applies only to property that would not otherwise be exempt. Nothing contained in this section applies to or affects any other tax exemption provided by law.

(c) As used in this section, "land used for public airport purposes" includes the following:

(1) That part of airport land used for the taking off or landing of aircraft, taxiways, runway and taxiway lighting, access roads, auto and aircraft parking areas, and all buildings providing basic facilities for the traveling public.

(2) Real property owned by the airport owner and used directly for airport operation and maintenance purposes.

(3) Real property used in providing for the shelter, storage, or care of aircraft, including hangars.

(4) Housing for weather and signaling equipment, navigational aids, radios, or other electronic equipment.

The term does not include land areas used solely for purposes unrelated to aviation.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.74, SEC.15; P.L.77-1989, SEC.1; P.L.18-1990, SEC.18; P.L.126-2000, SEC.3; P.L.119-2012, SEC.16.

IC 6-1.1-10-15.5

Commercial passenger aircraft; resolution required; tenancy and use requirement; term of exemption

Sec. 15.5. (a) As used in this section, "airport development zone" means an airport development zone designated under IC 8-22-3.5-5.

(b) As used in this section, "allocated tax proceeds" refers to property taxes allocated under IC 8-22-3.5-9.

(c) As used in this section, "commission" has the meaning set forth in IC 8-22-3.5-2.

(d) As used in this section, "qualified airport development project" has the meaning set forth in IC 8-22-3.5-3.

(e) Before a person maintaining commercial passenger aircraft that is not subject to the aircraft excise tax under IC 6-6-6.5 may claim an exemption from property taxation for the commercial passenger aircraft, the commission must adopt a resolution authorizing the exemption for the commercial passenger aircraft.

(f) After the commission adopts a resolution described in subsection (e), a person maintaining a commercial passenger aircraft that is not subject to the aircraft excise tax under IC 6-6-6.5 may claim an exemption from property taxation for the commercial passenger aircraft if the following conditions exist when the commission adopts the resolution:

(1) The person is:

(A) a tenant or subtenant of any portion of the qualified airport development project; and

(B) a current user of all or any portion of the qualified airport development project.

(2) For purposes of maintenance, the aircraft will be located in the airport development zone.

(3) If bonds have been issued, either:

(A) the pledge of allocated tax proceeds to the payment of any bonds issued under IC 8-22-3-18.1 to finance any portion of the costs of the qualified airport development project has been discharged; or

(B) any bonds to which allocated tax proceeds were pledged have been paid in full in accordance with the documents under which the bonds were issued.

If this subdivision applies, the person may not claim the exemption for a period longer than the original term of the bonds.

As added by P.L.224-2003, SEC.266.

IC 6-1.1-10-16 Version a

Exemption of building, land, and personal property used for various purposes; termination of eligibility for exemption

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

(1) a building that is exempt under subsection (a) or (b) is situated on it;

(2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it; or

(3) the tract:

(A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;

(B) does not exceed five hundred (500) acres; and

(C) is not used by the nonprofit entity to make a profit.

(d) A tract of land is exempt from property taxation if:

(1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and

(2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the

appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone

does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

(1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given away or sold:

(A) in a charitable manner;

(B) by a nonprofit organization; and

(C) to low income individuals who will:

(i) use the land as a family residence; and

(ii) not have an exemption for the land under this section;

(2) the tract does not exceed three (3) acres;

(3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section; and

(4) not more than four (4) years after the property is acquired for the purpose described in subdivision (1), and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection, renovation, or improvement of the intended structure. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within five (5) years of the initial exemption received under this subsection.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the structure is an active plan and that the structure is capable of being:

(i) completed; and

(ii) transferred to a low income individual who does not receive an exemption under this section;

within eight (8) years considering the circumstances of the owner.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner. When the property is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails

to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(k) If property is granted an exemption in any year under subsection (i) and the owner:

(1) ceases to be eligible for the exemption under subsection (i)(4);

(2) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or

(3) transfers the tangible property to a person who:

(A) is not a low income individual; or

(B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1), (2), or (3) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

(1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.

(2) Interest on the property taxes at the rate of ten percent (10%) per year.

(m) The liability imposed by subsection (l) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (l) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(n) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.51, SEC.1; P.L.74-1987, SEC.4; P.L.57-1993, SEC.7; P.L.25-1995, SEC.13; P.L.6-1997, SEC.35; P.L.2-1998, SEC.17; P.L.126-2000, SEC.4; P.L.198-2001, SEC.28; P.L.264-2003, SEC.1; P.L.196-2007, SEC.1; P.L.156-2011, SEC.2; P.L.197-2011, SEC.32.

IC 6-1.1-10-16 Version b

Exemption of building, land, and personal property used for various purposes; termination of eligibility for exemption

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for

educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

(1) a building that is exempt under subsection (a) or (b) is situated on it;

(2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it; or

(3) the tract:

(A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;

(B) does not exceed five hundred (500) acres; and

(C) is not used by the nonprofit entity to make a profit.

(d) A tract of land is exempt from property taxation if:

(1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and

(2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under

subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

(1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given away or sold:

(A) in a charitable manner;

(B) by a nonprofit organization; and

(C) to low income individuals who will:

(i) use the land as a family residence; and

(ii) not have an exemption for the land under this section;

(2) the tract does not exceed three (3) acres;

(3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section; and

(4) not more than four (4) years after the property is acquired for the purpose described in subdivision (1), and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection, renovation, or improvement of the intended structure. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such

as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within five (5) years of the initial exemption received under this subsection.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the structure is an active plan and that the structure is capable of being:

(i) completed; and

(ii) transferred to a low income individual who does not receive an exemption under this section;

within eight (8) years considering the circumstances of the owner.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner. When the property is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(k) If property is granted an exemption in any year under subsection (i) and the owner:

(1) ceases to be eligible for the exemption under subsection (i)(4);

(2) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or

(3) transfers the tangible property to a person who:

(A) is not a low income individual; or

(B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1), (2), or (3) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

(1) The total property taxes that, if it were not for the exemption

under subsection (i), would have been levied on the property in each year in which an exemption was allowed.

(2) Interest on the property taxes at the rate of ten percent (10%) per year.

(m) The liability imposed by subsection (l) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (l) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(n) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(o) A for-profit provider of early childhood education services to children who are at least four (4) but less than six (6) years of age on the annual assessment date may receive the exemption provided by this section for property used for educational purposes only if all the requirements of section 46 of this chapter are satisfied. A for-profit provider of early childhood education services that provides the services only to children younger than four (4) years of age may not receive the exemption provided by this section for property used for educational purposes.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.51, SEC.1; P.L.74-1987, SEC.4; P.L.57-1993, SEC.7; P.L.25-1995, SEC.13; P.L.6-1997, SEC.35; P.L.2-1998, SEC.17; P.L.126-2000, SEC.4; P.L.198-2001, SEC.28; P.L.264-2003, SEC.1; P.L.196-2007, SEC.1; P.L.156-2011, SEC.2; P.L.197-2011, SEC.32; P.L.151-2014, SEC.1.

IC 6-1.1-10-16.5

Nonprofit corporation property located under or adjacent to lake or reservoir

Sec. 16.5. (a) This section applies to real property located in either of the following:

(1) A county having a population of more than twenty thousand (20,000) but less than twenty thousand five hundred (20,500).

(2) A county having a population of more than twenty-four thousand five hundred (24,500) but less than twenty-five thousand (25,000).

(b) A tract of real property owned by a nonprofit public benefit corporation (as defined in IC 23-17-2-23) is exempt from property taxation if all of the following apply:

(1) The tract is located:

(A) under a lake or reservoir; or

(B) adjacent to a lake or reservoir.

(2) The lake or reservoir under which or adjacent to which the tract is located was formed by a dam or control structure owned and operated by a public utility for the generation of hydroelectric power.

(3) The public benefit corporation that owns the tract is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code and has maintained its tax exempt status

for the previous three (3) years.

(4) The public benefit corporation that owns the tract is primarily engaged in active efforts to protect and enhance the environment and water quality of the lake or reservoir under which or adjacent to which the tract is located in order to facilitate the public recreational use of the lake or reservoir.

(c) A tract of real property owned by a nonprofit public benefit corporation described in subsection (b) is exempt from property taxation if the tract is used by the public benefit corporation in the public benefit corporation's efforts to enhance the environment and water quality of a lake or reservoir described in subsection (b).

As added by P.L.2-1999, SEC.1. Amended by P.L.170-2002, SEC.16; P.L.119-2012, SEC.17.

IC 6-1.1-10-16.7

Real property

Sec. 16.7. All or part of real property is exempt from property taxation if:

(1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42;

(2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana housing and community development authority; and

(3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.2, IC 36-2-6-22, or IC 36-3-2-11.

As added by P.L.19-2000, SEC.1. Amended by P.L.185-2001, SEC.1 and P.L.291-2001, SEC.195; P.L.186-2001, SEC.2; P.L.1-2002, SEC.18; P.L.179-2002, SEC.3; P.L.1-2006, SEC.133 and P.L.181-2006, SEC.42.

IC 6-1.1-10-17

Memorial corporation property

Sec. 17. Tangible property is exempt from property taxation if it is owned by a corporation which is organized and operated under IC 10-18-7 for the purpose of perpetuating the memory of soldiers and sailors.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.17; P.L.2-2003, SEC.35.

IC 6-1.1-10-18

Nonprofit corporations supporting fine arts

Sec. 18. (a) Tangible property is exempt from property taxation if it is owned by an Indiana not-for-profit corporation which is organized and operated for the primary purpose of coordinating, promoting, encouraging, housing, or providing financial support to activities in the field of fine arts.

(b) For purposes of this section, the field of fine arts includes, but

is not limited to, the following art forms:

(1) classical, semi-classical, or modern instrumental and vocal music;

(2) classical dance, including ballet, modern adaptations of formal dance, and ethnic dance;

(3) painting, drawing, and the graphic arts;

(4) sculpture;

(5) architecture;

(6) drama and musical theater.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-18.5

Nonprofit corporation property used in operation of health facility or home for the aged

Sec. 18.5. (a) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program, alone, does not entitle an office, a practice, or other property described in this subsection to an exemption under this section.

(b) Tangible property is exempt from property taxation if it is:

(1) owned by an Indiana nonprofit corporation; and

(2) used by that corporation in the operation of a hospital licensed under IC 16-21, a health facility licensed under IC 16-28, or in the operation of a residential facility for the aged and licensed under IC 16-28, or in the operation of a Christian Science home or sanatorium.

(c) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

As added by Acts 1978, P.L.30, SEC.1. Amended by Acts 1982, P.L.29, SEC.2; P.L.66-1983, SEC.1; P.L.2-1993, SEC.53; P.L.25-1995, SEC.14; P.L.198-2001, SEC.29; P.L.156-2011, SEC.3; P.L.197-2011, SEC.33.

IC 6-1.1-10-19

Public libraries

Sec. 19. Tangible property is exempt from property taxation if it is:

(1) owned by a corporation which has established a public library under Indiana law; and

(2) used exclusively for public library purposes.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-20
Manual labor, technical, or trade schools; colleges

Sec. 20. Tangible property is exempt from property taxation if it is:

(1) owned by a manual labor school, a technical high school, a trade school, or a college which is incorporated within this state; and

(2) used, and in the case of real property actually occupied, for the purpose for which the institution is incorporated.

However, the institution's real property which is exempt from taxation under this section may not exceed eight hundred (800) acres in any one (1) county of this state.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.18.

IC 6-1.1-10-21
Churches or religious societies

Sec. 21. (a) The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:

(1) A building that is used for religious worship.

(2) The pews and furniture contained within a building that is used for religious worship.

(3) The tract of land upon which a building that is used for religious worship is situated.

(b) The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:

(1) A building that is used as a parsonage.

(2) The tract of land, not exceeding fifteen (15) acres, upon which a building that is used as a parsonage is situated.

(c) To obtain an exemption for parsonages, a church or religious society must provide the county assessor with an affidavit at the time the church or religious society applies for the exemptions. The affidavit must state that:

(1) all parsonages are being used to house one (1) of the church's or religious society's rabbis, priests, preachers, ministers, or pastors; and

(2) none of the parsonages are being used to make a profit.

The affidavit shall be signed under oath by the church's or religious society's head rabbi, priest, preacher, minister, or pastor.

(d) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.68, SEC.1; P.L.74-1987, SEC.5; P.L.198-2001, SEC.30; P.L.264-2003, SEC.2.

IC 6-1.1-10-22
Dormitories of church colleges and universities

Sec. 22. A tract of land, not exceeding one (1) acre, and the improvements situated on the land are exempt from property taxation if they are:

(1) owned by a church; and

(2) exclusively used by the church as a dormitory for the students of a college or university which is located within this state.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-23
Fraternal benefit associations

Sec. 23. (a) Subject to the limitations contained in subsection (b) of this section, tangible property is exempt from property taxation if it is owned by a fraternal beneficiary association which is incorporated, organized, or licensed under the laws of this state.

(b) This exemption does not apply to real property unless it is actually occupied and exclusively used by the association in carrying out the purpose for which it was incorporated, organized, or licensed.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-24
Fraternity or sorority property

Sec. 24. (a) Subject to the limitations contained in subsection (b) of this section, the following tangible property is exempt from property taxation if it is owned by a fraternity or sorority that is exempt from federal income taxation under Section 501(c)(2), Section 501(c)(3), or Section 501(c)(7) of the Internal Revenue Code:

(1) a tract of land;

(2) the improvements situated on the tract of land; and

(3) all personal property.

(b) This exemption does not apply unless:

(1) the fraternity or sorority is connected with or related to, and under the supervision of, a college, university, or other educational institution; or

(2) the property is used by the fraternity or sorority to carry out its purpose, including as an international, national, state, or local headquarters or to support the administrative, executive, or other functions associated with the operation of a fraternity or sorority.

(c) For purposes of this section, "fraternity or sorority" includes:

(1) a fraternity or sorority that is connected with or related to, and under the supervision of, a college, university, or other educational institution;

(2) an international, national, state, or local fraternity or sorority that administers, coordinates, operates, or governs fraternity or sorority chapters, units, divisions, or other groups or group members that are connected with or related to, and under the supervision of, a college, university, or other educational

institution;

(3) a foundation related to a fraternity or sorority; or

(4) a housing corporation or similar entity related to a fraternity or sorority.

(d) To qualify for the exemption allowed by this section, the property may be owned, occupied, or used by more than one (1) fraternity or sorority, as long as the property is used to carry out the purposes of fraternities or sororities.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.173-2011, SEC.2.

IC 6-1.1-10-25

Miscellaneous organizations

Sec. 25. (a) Subject to the limitations contained in subsection (b) of this section, tangible property is exempt from property taxation if it is owned by any of the following organizations:

(1) The Young Men's Christian Association.

(2) The Salvation Army, Inc.

(3) The Knights of Columbus.

(4) The Young Men's Hebrew Association.

(5) The Young Women's Christian Association.

(6) A chapter or post of Disabled American Veterans of World War I or II.

(7) A chapter or post of the Veterans of Foreign Wars.

(8) A post of the American Legion.

(9) A post of the American War Veterans.

(10) The Boy Scouts of America, one (1) or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.

(11) The Girl Scouts of the U.S.A., one or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.

(b) This exemption does not apply unless the property is exclusively used, and in the case of real property actually occupied, for the purposes and objectives of the organization.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.66, SEC.1; Acts 1980, P.L.38, SEC.1; P.L.67-1983, SEC.1; P.L.79-2014, SEC.2.

IC 6-1.1-10-26

County or district agricultural associations

Sec. 26. (a) Subject to the limitations contained in subsection (b) of this section, the following tangible property is exempt from property taxation if it is owned by a county or district agricultural association of this state:

(1) a tract of land not exceeding eighty (80) acres; and

(2) the improvements situated on the tract of land.

(b) This exemption does not apply unless:

(1) the association is organized under IC 1971, 15-1-3; and

(2) the property is exclusively used and occupied for the purposes

specified in IC 1971, 15-1-3.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-27
Cemetery corporations

Sec. 27. (a) Subject to the limitations contained in subsections (b) and (c) the following tangible property is exempt from property taxation if it is owned by a cemetery corporation, firm, or association which is organized under the laws of this state:

(1) The real property, including mausoleums and other structures in which human remains are buried or interred but not including crematories, funeral homes, offices, or maintenance structures. However, offices and maintenance structures are exempt if they are owned by, or held in trust for the use of, a church or religious society, or if they are owned by a not-for-profit corporation or association.

(2) The personal property which is used exclusively in the establishment, operation, administration, preservation, repair, or maintenance of the cemetery.

(b) The exemption under subsection (a) does not apply to real property unless:

(1) it has been dedicated or platted for cemetery use;

(2) a plat of it has been recorded in the county in which the property is located; and

(3) it is exclusively used for cemetery or burial purposes.

(c) The exemption under subsection (a) does not apply to personal property unless it is used exclusively for cemetery purposes and:

(1) it is owned by, or held in trust for the use of, a church or religious society; or

(2) it is owned by a not-for-profit corporation or association.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.74-1987, SEC.6; P.L.5-1988, SEC.42.

IC 6-1.1-10-28
Free medical clinics

Sec. 28. A building and the land on which the building is located are exempt from property taxation if:

(1) the building is used for the purpose of gratuitously dispensing medicines and medical advice and aid to people; and

(2) the real property is owned by a corporation, institution, or association which exists exclusively for that charitable purpose.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-29
Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-29.3
Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-29.5
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-30
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-30.5
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31
Repealed
(Repealed by P.L.11-1987, SEC.11.)

IC 6-1.1-10-31.1
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.4
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.5
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.6
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-31.7
Repealed
(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-32
Certain exempt property under control of executor
Sec. 32. Tangible property is exempt from property taxation if it:
(1) is under the control of an executor;
(2) is to pass, under the terms of a will, to a municipal corporation or to a literary, scientific, benevolent, religious, or charitable institution; and
(3) would be exempt from property taxation if it had already been distributed to the devisee or legatee.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-33
Certain exempt property under control of executor or trustee

Sec. 33. (a) Tangible property which is under the control of an executor or a trustee is exempt from property taxation if it is to be used and applied:

(1) within this state for a municipal, educational, literary, scientific, religious, or charitable purpose; or

(2) for the benefit of this state or a state institution.

(b) Subsection (a) does not apply unless the executor or trustee diligently and in good faith carries out the provisions of the will or trust agreement by using and applying the property for the intended purpose.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-34

Contracts relating to certain exempt property; unenforceability

Sec. 34. (a) A contract is not valid or enforceable in any court of this state if:

(1) the contract is related to tangible property which is given, devised, or bequeathed to an educational, literary, scientific, religious, or charitable institution;

(2) the contract provides that the institution shall pay any income or proceeds received for the tangible property to the donor, or other person designated by the donor, for life or for a determinate period of time; and

(3) the contract does not provide that all property taxes that the donor would have paid if the donor had retained title to the property shall be paid by:

(A) the donor;

(B) the person, if any, designated by the donor to receive the income or proceeds; or

(C) the institution.

(b) Tangible property transferred in the manner described in subsection (a) is subject to property taxation to the same extent as tangible property which is owned by an individual.

(c) This section does not apply to real property transferred under contracts which were entered into before March 9, 1937.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.42-2011, SEC.6.

IC 6-1.1-10-35

School lands; when considered sold

Sec. 35. (a) For purposes of this chapter, school lands have been sold if:

(1) a certificate of sale has been issued to the purchaser or recorded in the proper office;

(2) the purchaser has paid all or part of the purchase money; and

(3) the purchaser has or could have entered into possession of the land.

(b) If subsection (a) of this section is applicable, the land is subject to assessment and taxation in the same manner as if a deed had been delivered to the purchaser.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-10-36
Repealed

(Repealed by P.L.66-1983, SEC.3.)

IC 6-1.1-10-36.3 Version a
Property used or occupied for one or more stated purposes; applicability of exemption; limitations

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 36.3. (a) For purposes of this section, property is predominantly used or occupied for one (1) or more stated purposes if it is used or occupied for one (1) or more of those purposes during more than fifty percent (50%) of the time that it is used or occupied in the year that ends on the assessment date of the property.

(b) The determination under subsection (c) of:

(1) the use or occupation of the property; and

(2) the application of an exemption;

applies separately to each part of the property identified under IC 6-1.1-11-3(c)(5).

(c) If a section of this chapter states one (1) or more purposes for which property must be used or occupied in order to qualify for an exemption, then the exemption applies as follows:

(1) Property that is exclusively used or occupied for one (1) or more of the stated purposes is totally exempt under that section.

(2) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a church, religious society, or not-for-profit school is totally exempt under that section.

(3) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a person other than a church, religious society, or not-for-profit school is exempt under that section from property tax on the part of the assessment of the property that bears the same proportion to the total assessment of the property as the amount of time that the property was used or occupied for one (1) or more of the stated purposes during the year that ends on the assessment date of the property bears to the amount of time that the property was used or occupied for any purpose during that year.

(4) Property that is predominantly used or occupied for a purpose other than one (1) of the stated purposes is not exempt from any part of the property tax.

(d) Property is not used or occupied for one (1) or more of the stated purposes during the time that a predominant part of the property is used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of one (1) or more of the stated purposes.

As added by P.L.66-1983, SEC.2. Amended by P.L.264-2003, SEC.3.

IC 6-1.1-10-36.3 Version b

Property used or occupied for one or more stated purposes; applicability of exemption; limitations

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 36.3. (a) For purposes of this section, property is predominantly used or occupied for one (1) or more stated purposes if it is used or occupied for one (1) or more of those purposes during more than fifty percent (50%) of the time that it is used or occupied in the year that ends on the assessment date of the property.

(b) The determination under subsection (c) of:

(1) the use or occupation of the property; and

(2) the application of an exemption;

applies separately to each part of the property identified under IC 6-1.1-11-3(c)(5).

(c) If a section of this chapter states one (1) or more purposes for which property must be used or occupied in order to qualify for an exemption, then the exemption applies as follows:

(1) Property that is exclusively used or occupied for one (1) or more of the stated purposes is totally exempt under that section.

(2) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a church, religious society, or not-for-profit school is totally exempt under that section.

(3) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a person other than a church, religious society, or not-for-profit school is exempt under that section from property tax on the part of the assessment of the property that bears the same proportion to the total assessment of the property as the amount of time that the property was used or occupied for one (1) or more of the stated purposes during the year that ends on the assessment date of the property bears to the amount of time that the property was used or occupied for any purpose during that year. This subdivision does not apply to a for-profit provider of early childhood education services covered by section 46 of this chapter.

(4) Property that is predominantly used or occupied for a purpose other than one (1) of the stated purposes is not exempt from any part of the property tax.

(d) Property is not used or occupied for one (1) or more of the stated purposes during the time that a predominant part of the property is used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of one (1) or more of the stated purposes.

As added by P.L.66-1983, SEC.2. Amended by P.L.264-2003, SEC.3; P.L.151-2014, SEC.2.

IC 6-1.1-10-36.5

Property of exempt organization used in nonexempt trade or business

Sec. 36.5. (a) Tangible property is not exempt from property taxation under sections 16 through 28 of this chapter or under section

33 of this chapter if it is used by the exempt organization in a trade or business, not substantially related to the exercise or performance of the organization's exempt purpose.

(b) Property referred to in sections 16 through 28 of this chapter or under section 33 of this chapter shall be assessed to the extent required under IC 6-1.1-11-9.

(c) The department of local government finance shall adopt rules under IC 4-22-2 to carry out this section.

As added by Acts 1978, P.L.32, SEC.1. Amended by P.L.198-2001, SEC.31.

IC 6-1.1-10-37

Leases of exempt property; effect

Sec. 37. (a) This section does not apply to the lease of a dwelling unit within a public housing project by the tenant of that dwelling unit.

(b) If real property that is exempt from taxation is leased to another whose property is not exempt and the leasing of the real property does not make it taxable, the leasehold estate and the appurtenances to the leasehold estate shall be assessed and taxed as if they were real property owned by the lessee or his assignee.

(c) If personal property that is exempt from taxation is leased to another whose property is not exempt and the leasing of the personal property does not make it taxable, the leased personal property shall be assessed and taxed as if it were personal property owned by the lessee or his assignee.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.42-1984, SEC.1; P.L.59-1986, SEC.1.

IC 6-1.1-10-38

Property tax exemption provisions; enumeration

Sec. 38. This chapter does not contain all of the property tax exemption provisions. The property taxation exemption provisions include, but are not limited to, the following sections:

IC 4-20.5-14-3	IC 21-35-2-19
IC 4-20.5-19	IC 21-35-3-20
IC 5-1-4-26	IC 20-47-2-21
IC 6-1.1-10-5	IC 20-47-3-15
IC 8-10-1-27	IC 23-7-7-3
IC 8-23-7-31	IC 36-1-10-18
IC 8-15-2-12	IC 36-7-14-37
IC 8-21-9-31	IC 36-7-15.1-25
IC 10-18-2-22	IC 36-7-18-25
IC 10-18-1-36	IC 36-9-4-52
IC 10-18-3-12	IC 36-9-11-10
IC 10-18-4-21	IC 36-9-11.1-11
IC 10-18-7-9	IC 36-9-13-36
IC 14-33-20-27	IC 36-9-13-37
IC 15-13-4-4	IC 36-9-30-31
IC 16-22-6-34	IC 36-10-8-18

IC 21-34-8-3 IC 36-10-9-18

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.3-1990, SEC.23; P.L.20-1990, SEC.6; P.L.2-1993, SEC.54; P.L.7-1993, SEC.9; P.L.1-1994, SEC.25; P.L.1-1995, SEC.43; P.L.52-1997, SEC.3; P.L.2-2003, SEC.36; P.L.2-2006, SEC.36; P.L.2-2007, SEC.113; P.L.2-2008, SEC.21; P.L.98-2010, SEC.1; P.L.118-2013, SEC.4.

IC 6-1.1-10-39
Intangible personal property exemptions

Sec. 39. Intangible personal property, including the following, is exempt from taxation under this article:

(1) A promissory note.
(2) A share of stock in a foreign corporation.
(3) A bond.
(4) A debenture.
(5) A postal savings certificate.
(6) Equity in a brokerage or trading account.
(7) A deposit of money.
(8) A loan account.
(9) A debt instrument with interest coupons.
(10) A registered corporate security evidencing a debt.
(11) A written instrument or certificate evidencing a debt, including a mortgage, a chattel mortgage, a bill of sale, and a conditional sales contract.
(12) A written instrument securing an unwritten debt.
(13) A written instrument evidencing an exchange of property when the ultimate transfer of title is intended.
(14) A written contract for payment of money.
(15) An instrument bearing interest for the benefit of the holder of that instrument or the holder of another instrument.

As added by P.L.80-1989, SEC.1.

IC 6-1.1-10-40
Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-41
Exempt property purchased under contract of sale by person not qualifying for exemption

Sec. 41. (a) This section does not apply to a contract described in section 5.5 of this chapter.

(b) If real or personal property that is exempt from taxation under section 2 or 4 of this chapter:

(1) is being purchased under a contract of sale by another person:
(A) whose real or personal property is not exempt from taxation; and
(B) who is not engaged in an exempt purpose with the real or personal property; and

(2) the contract of sale does not make the real or personal property taxable;

the real or personal property shall be assessed and taxed as if the real or personal property were owned by the purchaser or the purchaser's assignee.

As added by P.L.31-1994, SEC.1.

IC 6-1.1-10-42

Small business incubator program

Sec. 42. (a) A corporation that is:

(1) nonprofit; and

(2) participates in the small business incubator program under IC 5-28-21;

is exempt from property taxation to the extent of tangible property used for small business incubation.

(b) A corporation that wishes to obtain an exemption from property taxation under this section must file an exemption application under IC 6-1.1-11.

As added by P.L.178-2002, SEC.14. Amended by P.L.4-2005, SEC.35.

IC 6-1.1-10-43

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10-44

Enterprise information technology equipment

Sec. 44. (a) As used in this section, "designating body" means the fiscal body of:

(1) a county that does not contain a consolidated city; or

(2) a municipality.

(b) As used in this section, "eligible business" means an entity that meets the following requirements:

(1) The entity is engaged in a business that:

(A) operates; or

(B) leases qualified property for use in;

one (1) or more facilities or data centers dedicated to computing, networking, or data storage activities.

(2) The entity's qualified property is located at a facility or data center in Indiana that is located in an area designated as a high technology district area.

(3) The entity, the lessor of qualified property (if the entity is a lessee), and all lessees of qualified property invest in the aggregate at least ten million dollars ($10,000,000) in real and personal property at the facility or data center after June 30, 2012.

(4) The average wage of employees who are located in the county or municipality and engaged in the operation of the facility or data center is at least one hundred twenty-five percent (125%) of the county average wage for the county in

which the facility or data center operates.

(c) As used in this section, "enterprise information technology equipment" means the following:

(1) Hardware supporting computing, networking, or data storage functions, including servers and routers.

(2) Networking systems having an industry designation as equipment within the "enterprise" or "data center" class of networking systems that support the computing, networking, or data storage functions.

(3) Generators and other equipment used to ensure an uninterrupted power supply to equipment described in subdivision (1) or (2).

The term does not include computer hardware designed for single user, workstation, or departmental level use.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "high technology district area" means all or any part of the area that:

(1) is within the corporate limits of a county or municipality; and

(2) has been designated as a high technology district area by the appropriate designating body under subsection (h).

(f) As used in this section, "municipality" has the meaning set forth in IC 36-1-2-11.

(g) As used in this section, "qualified property" means enterprise information technology equipment purchased after June 30, 2012, and any additions to or replacements to such property.

(h) Before adopting a final resolution to designate a high technology district area, a designating body must first adopt a declaratory resolution provisionally finding that all or a part of the area within the designating body's jurisdiction is a high technology district area. The declaratory resolution must include a description of the affected area and must be filed with the county assessor. The designating body shall then publish notice of the adoption and the substance of the declaratory resolution in accordance with IC 5-3-1 and file a copy of the notice and the declaratory resolution with each taxing unit in the county. The notice must specify a date when the designating body will receive and hear all remonstrances and objections from interested persons. The designating body shall file the notice and the declaratory resolution with the officers of the taxing units who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date for the public hearing. After the designating body considers the testimony presented at the public hearing, the designating body may adopt a second and final resolution before January 1, 2017, determining whether to designate a high technology district area and modifying, confirming, or rescinding the declaratory resolution. This determination of the designating body is final.

(i) A designating body may, after adopting a final resolution under subsection (h) designating an area as a high technology district area,

enter into an agreement with an eligible business to grant the eligible business a property tax exemption. In the case of a county, the exemption applies only to qualified property that is located in unincorporated territory of the county. In the case of a municipality, the exemption applies only to qualified property that is located in the municipality. The property tax exemption applies to the qualified property only if the designating body and the eligible business enter into an agreement concerning the property tax exemption. The agreement must specify the duration of the property tax exemption. The agreement may specify that if the ownership of qualified property is transferred by an eligible business, the transferee is entitled to the property tax exemption on the same terms as the transferor. If a designating body adopts a final resolution under subsection (h) and enters into an agreement with an eligible business, the qualified property owned by the eligible business is exempt from property taxation as provided in the resolution and the agreement.

(j) If a designating body adopts a final resolution under subsection (h) and enters into an agreement under subsection (i) to provide a property tax exemption, the property tax exemption continues for the period specified in the agreement, notwithstanding the January 1, 2017, deadline to adopt a final resolution under subsection (h).

As added by P.L.163-2009, SEC.1. Amended by P.L.173-2011, SEC.1; P.L.158-2012, SEC.1.

IC 6-1.1-10-45

Indiana department of transportation signage

Sec. 45. (a) Tangible personal property consisting of a sign that is manufactured for the Indiana department of transportation in order for the department to comply with 23 U.S.C. 131 is exempt from personal property taxation.

(b) The owner of personal property that wishes to obtain the exemption provided by this section must file an exemption claim along with the owner's annual personal property tax return. The claim must describe and state the assessed value of the personal property for which an exemption is claimed.

(c) The township or county assessor shall:

(1) review the exemption claim; and

(2) allow or deny the exemption claim in whole or in part.

The assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.

(d) The township or county assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.

As added by P.L.257-2013, SEC.4.

IC 6-1.1-10-46

Property tax exemption; for profit early childhood education provider

Effective 1-1-2015.

Sec. 46. (a) Tangible property owned, occupied, or used by a for-profit provider of early childhood education services to children who are at least four (4) but less than six (6) years of age is exempt from property taxation under section 16 of this chapter only if all the following requirements are satisfied:

(1) The primary purpose of the provider is educational.

(2) The provider is the property owner and the provider also predominantly occupies and uses the tangible property for providing early childhood education services to children who are at least four (4) but less than six (6) years of age.

(3) The provider participates in the early education evaluation program established under IC 12-17.2-3.8 and meets the standards of quality recognized by a Level 3 or Level 4 Paths to QUALITY program rating or has a comparable rating from a nationally recognized accrediting body.

If the property owner provides early childhood education services to children who are at least four (4) but less than six (6) years of age and to children younger than four (4) years of age, the amount of the exemption must be on that part of the assessment of the property that bears the same proportion to the total assessment of the property as the percentage of the property owner's enrollment count of children who are at least four (4) but less than six (6) years of age compared to the property owner's total enrollment count of children of all ages.

(b) For purposes of this section, the annual assessment date or, if the annual assessment date is not a business day for the property owner, the business day closest to the annual assessment date, must be used for the enrollment count under this section. However, a property owner that believes that the enrollment count on this date for a particular year does not accurately represent the property owner's normal enrollment count for that year may appeal to the county assessor for a change in the date to be used under this section for that year. The appeal must be filed on or before the deadline for filing an exemption under section 16 of this chapter. If the county assessor finds that the property owner's appeal substantiates that the property owner's normal enrollment count is not accurately represented by using the required date, the assessor shall establish an alternate date to be used for that year that represents the property owner's normal enrollment count for that year.

As added by P.L.151-2014, SEC.3.

IC 6-1.1-10.1
Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-10.3

Chapter 10.3. County Option Exemption of Business Personal Property

Effective 7-1-2015.

IC 6-1.1-10.3-1

"Business personal property"

Effective 7-1-2015.

Sec. 1. As used in this chapter, "business personal property" means personal property that:

(1) is otherwise subject to assessment and taxation under this article; and

(2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income.

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (2), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-10.3-2

"County income tax council"

Effective 7-1-2015.

Sec. 2. As used in this chapter, "county income tax council" refers to the county income tax council established by IC 6-3.5-6-2 for a county.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-10.3-3

"Exemption ordinance"

Effective 7-1-2015.

Sec. 3. As used in this chapter, "exemption ordinance" refers to an ordinance adopted under section 5 of this chapter by a county income tax council.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-10.3-4

"New personal property"

Effective 7-1-2015.

Sec. 4. As used in this chapter, "new personal property" means business personal property that:

(1) a taxpayer places in service after the later of the date the exemption ordinance is adopted or a date specified in the

exemption ordinance; and

(2) has not previously been used in Indiana before the taxpayer acquires the business personal property.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-10.3-5

Adoption of exemption ordinance by county income tax council

Effective 7-1-2015.

Sec. 5. (a) A county income tax council may adopt an exemption ordinance that exempts new personal property located in the county from property taxation as provided in section 6 of this chapter.

(b) For purposes of adopting an exemption ordinance under this chapter, a county income tax council is comprised of the same members as the county income tax council that is established by IC 6-3.5-6-2 for the county, regardless of whether a county income tax is in effect in the county and regardless of which county income tax is in effect in the county. Except as provided in this chapter, the county income tax council shall use the same procedures that apply under IC 6-3.5-6 when acting under this chapter.

(c) Before adopting an exemption ordinance under this section, a county income tax council must conduct a public hearing on the proposed exemption ordinance. The county income tax council must publish notice of the public hearing in accordance with IC 5-3-1.

(d) The county income tax council shall provide a certified copy of an adopted exemption ordinance to the department of local government finance and the county auditor.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-10.3-6

Application of exemption ordinance to all new personal property

Effective 7-1-2015.

Sec. 6. An exemption ordinance adopted under this chapter must exempt all new personal property.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-10.3-7

Repeal or amendment of exemption ordinance

Effective 7-1-2015.

Sec. 7. A county income tax council may repeal or amend an exemption ordinance. However, if a county income tax council repeals or amends an exemption ordinance, any new personal property that was exempt under the exemption ordinance on the date the new personal property was placed into service by a taxpayer remains exempt from property taxation, regardless of whether or not the ownership of the new personal property changes after the date the exemption ordinance is amended or repealed.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-10.3-8

Application not required

Effective 7-1-2015.

Sec. 8. A taxpayer is not required to file an application or a personal property tax return to qualify for an exemption under this chapter.

As added by P.L.80-2014, SEC.2.

IC 6-1.1-11

Chapter 11. Exemption Procedures

IC 6-1.1-11-1

Waiver of exemption

Sec. 1. An exemption is a privilege which may be waived by a person who owns tangible property that would qualify for the exemption. If the owner does not comply with the statutory procedures for obtaining an exemption, he waives the exemption. If the exemption is waived, the property is subject to taxation.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-11-1.5

Eligibility for an exemption on assessment date

Sec. 1.5. (a) This section applies to an exemption for:

(1) an assessment date for property other than a mobile home assessed under IC 6-1.1-7 that occurs in a year that begins after December 31, 2015; and

(2) an assessment date for a mobile home (including a manufactured home) assessed under IC 6-1.1-7 that occurs in a year that begins after December 31, 2016.

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

(1) use, value, character, or ownership of the tangible property; or

(2) the age, disability, or income of any owner, contract buyer, or possessor of tangible property;

does not affect the eligibility of the tangible property for an exemption for that assessment date.

As added by P.L.111-2014, SEC.19.

IC 6-1.1-11-2

Applicability of chapter

Sec. 2. The procedures contained in this chapter are general. They apply unless other procedures for obtaining a specific exemption are provided by law.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-11-3

Exemption application; deadline; information included; assessment of property; claim on personal property return

Sec. 3. (a) Subject to subsections (e), (f), and (g), an owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. The application must be filed annually on or before:

(1) May 15 on forms prescribed by the department of local government finance, if the application is filed for an assessment date in a year that ends before January 1, 2016; and

(2) April 1 of the year containing the assessment date, if the application is filed in a year that begins after December 31, 2015.

Except as provided in sections 1, 3.5, and 4 of this chapter, the application applies only for the taxes imposed for the year for which the application is filed.

(b) The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney.

(c) An exemption application which is required under this chapter shall contain the following information:

(1) A description of the property claimed to be exempt in sufficient detail to afford identification.

(2) A statement showing the ownership, possession, and use of the property.

(3) The grounds for claiming the exemption.

(4) The full name and address of the applicant.

(5) For the year that ends on the assessment date of the property, identification of:

(A) each part of the property used or occupied; and

(B) each part of the property not used or occupied;

for one (1) or more exempt purposes under IC 6-1.1-10 during the time the property is used or occupied.

(6) Any additional information which the department of local government finance may require.

(d) A person who signs an exemption application shall attest in writing and under penalties of perjury that, to the best of the person's knowledge and belief, a predominant part of the property claimed to be exempt is not being used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of the organization's exempt purpose.

(e) An owner must file with an application for exemption of real property under subsection (a) or section 5 of this chapter a copy of the assessor's record kept under IC 6-1.1-4-25(a) that shows the calculation of the assessed value of the real property for the assessment date for which the exemption is claimed. Upon receipt of the exemption application, the county assessor shall examine that record and determine if the real property for which the exemption is claimed is properly assessed. If the county assessor determines that the real property is not properly assessed, the county assessor shall:

(1) properly assess the real property or direct the township assessor to properly assess the real property; and

(2) notify the county auditor of the proper assessment or direct the township assessor to notify the county auditor of the proper assessment.

(f) If the county assessor determines that the applicant has not filed with an application for exemption a copy of the record referred

to in subsection (e), the county assessor shall notify the applicant in writing of that requirement. The applicant then has thirty (30) days after the date of the notice to comply with that requirement. The county property tax assessment board of appeals shall deny an application described in this subsection if the applicant does not comply with that requirement within the time permitted under this subsection. After December 31, 2015, the notice required by this subsection must be sent not later than April 25 in the year that it is required.

(g) This subsection applies whenever a law requires an exemption to be claimed on or in an application accompanying a personal property tax return. The claim or application may be filed on or with a personal property tax return not more than thirty (30) days after the filing date for the personal property tax return, regardless of whether an extension of the filing date has been granted under IC 6-1.1-3-7. *(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.19; P.L.65-1983, SEC.2; P.L.6-1997, SEC.37; P.L.198-2001, SEC.32; P.L.178-2002, SEC.15; P.L.264-2003, SEC.4; P.L.154-2006, SEC.10; P.L.219-2007, SEC.24; P.L.146-2008, SEC.107; P.L.111-2014, SEC.20.*

IC 6-1.1-11-3.5

Not-for-profit corporation property; eligibility; application; review

Sec. 3.5. (a) A not-for-profit corporation that seeks an exemption provided by IC 6-1.1-10 for 2000 or for a year that follows 2000 by a multiple of two (2) years must file an application for the exemption in that year. However, if a not-for-profit corporation seeks an exemption provided by IC 6-1.1-10 for a year not specified in this subsection and the corporation did not receive the exemption for the preceding year, the corporation must file an application for the exemption in the year for which the exemption is sought. The not-for-profit corporation must file each exemption application in the manner (other than the requirement for filing annually) prescribed in section 3 of this chapter.

(b) A not-for-profit corporation that receives an exemption provided under IC 6-1.1-10 for a particular year that remains eligible for the exemption for the following year is only required to file a statement to apply for the exemption in the years specified in subsection (a), if the use of the not-for-profit corporation's property remains unchanged.

(c) A not-for-profit corporation that receives an exemption provided under IC 6-1.1-10 for a particular year which becomes ineligible for the exemption for the following year shall notify the assessor of the county in which the tangible property for which it claims the exemption is located of its ineligibility on or before:

(1) May 15 of the year for which it becomes ineligible, if the property becomes ineligible in a year that ends before January 1, 2016; and

(2) April 1 of the year for which it becomes ineligible, if the property becomes ineligible in a year that begins after December

31, 2015.

If a not-for-profit corporation that is receiving an exemption provided under IC 6-1.1-10 changes the use of its tangible property so that part or all of that property no longer qualifies for the exemption, the not-for-profit corporation shall notify the assessor of the county in which the tangible property for which it claims the exemption is located of its ineligibility on or before the date specified in subdivision (1) or (2), as appropriate. The county assessor shall immediately notify the county auditor of the not-for-profit corporation's ineligibility or disqualification for the exemption. A not-for-profit corporation that fails to provide the notification required by this subsection is subject to the penalties set forth in IC 6-1.1-37-9.

(d) For each year that is not a year specified in subsection (a), the auditor of each county shall apply an exemption provided under IC 6-1.1-10 to the tangible property owned by a not-for-profit corporation that received the exemption in the preceding year unless the county property tax assessment board of appeals determines that the not-for-profit corporation is no longer eligible for the exemption.

(e) The department of local government finance may at any time review an exemption provided under this section and determine whether or not the not-for-profit corporation is eligible for the exemption.

As added by P.L.65-1983, SEC.3. Amended by P.L.81-1987, SEC.1; P.L.198-2001, SEC.33; P.L.264-2003, SEC.5; P.L.111-2014, SEC.21.

IC 6-1.1-11-3.8

Notice to county assessor of lease of certain property; county assessor notice to department of local government finance; department rules

Sec. 3.8. (a) This section applies to real property that after December 31, 2003, is:

(1) exempt from property taxes:
  (A) under an application filed under this chapter; or
  (B) under:
    (i) IC 6-1.1-10-2; or
    (ii) IC 6-1.1-10-4; and

(2) leased to an entity other than:
  (A) a nonprofit entity;
  (B) a governmental entity; or
  (C) an individual who leases a dwelling unit in:
    (i) a public housing project;
    (ii) a nursing facility referred to in IC 12-15-14;
    (iii) an assisted living facility; or
    (iv) an affordable housing development.

(b) After December 31, 2003, each lessor of real property shall notify the county assessor of the county in which the real property is located in writing of:

(1) the existence of the lease referred to in subsection (a)(2);

(2) the term of that lease; and
(3) the name and address of the lessee.

(c) Each county assessor shall annually notify the department of local government finance in writing of the information received by the county assessor under subsection (b).

(d) The department of local government finance shall adopt rules to:

(1) establish when the notices under subsections (b) and (c) must be given; and
(2) otherwise implement this section.

As added by P.L.264-2003, SEC.6.

IC 6-1.1-11-4
Exemption application not required in certain cases; transfer or change in use of property after assessment date

Sec. 4. (a) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the United States, the state, an agency of this state, or a political subdivision (as defined in IC 36-1-2-13). However, this subsection applies only when the property is used, and in the case of real property occupied, by the owner.

(b) The exemption application referred to in section 3 of this chapter is not required if the exempt property is a cemetery:

(1) described by IC 6-1.1-2-7; or
(2) maintained by a township executive under IC 23-14-68.

(c) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the bureau of motor vehicles commission established under IC 9-15-1.

(d) The exemption application referred to in section 3 or 3.5 of this chapter is not required if:

(1) the exempt property is:
(A) tangible property used for religious purposes described in IC 6-1.1-10-21;
(B) tangible property owned by a church or religious society used for educational purposes described in IC 6-1.1-10-16;
(C) other tangible property owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; or
(D) other tangible property owned by a fraternity or sorority (as defined in IC 6-1.1-10-24).
(2) the exemption application referred to in section 3 or 3.5 of this chapter was filed properly at least once for a religious use under IC 6-1.1-10-21, an educational, literary, scientific, religious, or charitable use under IC 6-1.1-10-16, or use by a fraternity or sorority under IC 6-1.1-10-24; and
(3) the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24.

(e) If, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption

under IC 6-1.1-10, the county assessor shall terminate the exemption for that assessment date. However, if the property remains eligible for an exemption under IC 6-1.1-10 following the transfer or change in use, the exemption shall be left in place for that assessment date. For the following assessment date, the person that obtained the exemption or the current owner of the property, as applicable, shall, under section 3 of this chapter and except as provided in this section, file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. In all cases, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in ownership or use in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance.

(f) If the county assessor discovers that title to or use of property granted an exemption under IC 6-1.1-10 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title or use and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners or use of the property and indicates whether the property continues to meet the requirements for an exemption under IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall reinstate the exemption under IC 6-1.1-15-12. However, a claim under IC 6-1.1-26-1 for a refund of all or a part of a tax installment paid and any correction of error under IC 6-1.1-15-12 must be filed not later than three (3) years after the taxes are first due.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.53-1988, SEC.2; P.L.1-1990, SEC.67; P.L.2-1991, SEC.36; P.L.6-1997, SEC.38; P.L.14-2000, SEC.15; P.L.182-2009(ss), SEC.107; P.L.173-2011, SEC.3; P.L.183-2014, SEC.6.

IC 6-1.1-11-4.5

Property tax exemption for property leased to the bureau of motor vehicles or the bureau of motor vehicles commission

Sec. 4.5. (a) This section applies to a taxpayer notwithstanding this chapter or any other law or administrative rule or provision.

(b) This section applies to an assessment date, as defined in IC 6-1.1-1-2, occurring in 2010 through 2016, and is referred to in this section as the "applicable assessment date".

(c) As used in this section, "taxpayer" refers to a person, as defined in IC 6-1.1-1-10, that:

(1) leases real property to the bureau of motor vehicles or the bureau of motor vehicles commission as of an applicable assessment date; and

(2) filed or refiled after January 15, 2010, and before January 25, 2010, in a manner consistent with IC 6-1.1-36-1.5, a Form 136 property tax exemption application, along with any

supporting documents, schedules, or attachments, claiming an exemption from real property taxes under IC 36-1-10-18 for property leased to the bureau of motor vehicles or bureau of motor vehicles commission for an assessment date that is before 2010.

(d) If the real property identified in the Form 136 property tax exemption application referred to in subsection (c)(2) at any time received a full or partial exemption from real property taxes for an assessment date that is before an applicable assessment date, the taxpayer is entitled to an exemption from real property taxes for each applicable assessment date for all property leased to the bureau of motor vehicles or bureau of motor vehicles commission for that applicable assessment date. The taxpayer is not required to pay property taxes, penalties, or interest with respect to the exempt property.

(e) The exemption allowed by this section shall be applied by the auditor of the county in which the real property exempt under this section is located without the taxpayer having to annually file or refile an exemption application under section 3 of this chapter.

(f) The part of the real property that is exempt under this section shall be based on the square footage of the real property leased to the bureau of motor vehicles or bureau of motor vehicles commission. The county auditor may request from the taxpayer information that is reasonably necessary to demonstrate:

(1) that the real property is leased to the bureau of motor vehicles or bureau of motor vehicles commission as of a particular applicable assessment date; and

(2) the appropriate exemption percentage.

The auditor of the county in which the real property exempt under this section is located shall apply the same exemption percentage to both the land and improvements owned by the taxpayer.

(g) The county assessor or the property tax assessment board of appeals of the county in which the real property exempt under this section is located may not exercise any authority over the exemption and may not disapprove the exemption. The exemption allowed by this section applies regardless of whether the property tax assessment board of appeals of the county in which the property exempt under this section is located has previously denied the exemption for an applicable assessment date.

(h) This section expires January 1, 2018.

As added by P.L.173-2011, SEC.4.

IC 6-1.1-11-5

County auditor notice to county assessor of previously exempt property; notice to property owner of requirement to file exemption application

Sec. 5. (a) On or before:

(1) May 15 of each even-numbered year, if the year ends before January 1, 2016; and

(2) April 1 of each even-numbered year, if the year begins after

December 31, 2015;

the county auditor shall provide to the county assessor a list by taxing district of property for which a tax exemption was in effect for the immediately preceding year. Before July 1 of each even-numbered year that ends before January 1, 2016, and on or before June 1 of each even-numbered year that begins after December 31, 2015, the county assessor shall return the list to the county auditor with a notation of any action of the county property tax assessment board of appeals on that year's exemption of each listed property.

(b) The assessor of the county in which property is located shall, in each even-numbered year, mail a notice to the owner of the property if:

(1) the owner has not applied for a tax exemption for that year;

(2) a tax exemption for the property was in effect for the immediately preceding year; and

(3) the owner is required to file an application for the exemption for that year under section 3.5 of this chapter.

(c) The notice required by subsection (b) must:

(1) identify the property by key number, if any, and a street address, if any, or other common description of the property other than a legal description; and

(2) state that the property will be placed on the county tax duplicate unless the owner applies for an exemption within fifteen (15) days after the date the notice is mailed.

The county assessor shall, in a year that ends before January 1, 2016, mail any notice required by subsection (b) before June 16 of the year in which the exemption application should have been filed and, in a year that begins after December 31, 2015, mail any notice required by subsection (b) on or before April 25 of the year in which the exemption application should have been filed.

(d) A county assessor's failure to give the notice required by subsection (b):

(1) for an assessment date in a year that ends before January 1, 2016, does not continue an exemption unless an exemption application is filed by the owner and approved by the county property tax assessment board of appeals on or before the first Monday in November of the year following the year in which the application should have been filed; and

(2) for an assessment date in a year that begins after December 31, 2015, does not continue an exemption.

(e) This subsection applies to an exemption for an assessment date in a year that begins after December 31, 2015. An otherwise sufficient exemption application that is filed after the applicable date specified in section 3 of this chapter shall be treated as an exemption application for the immediately following assessment date.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.65-1983, SEC.4; P.L.73-1987, SEC.2; P.L.81-1987, SEC.2; P.L.6-1997, SEC.39; P.L.264-2003, SEC.7; P.L.111-2014, SEC.22.

IC 6-1.1-11-6

Submission of tax exemption applications for examination

Sec. 6. Before the convening of the county property tax assessment board of appeals, the county assessor shall submit the exemption applications to the county property tax assessment board of appeals for examination.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.40; P.L.264-2003, SEC.8.

IC 6-1.1-11-7

Notice of action by the county property tax assessment board of appeals; action by county assessor and county auditor; appeal

Sec. 7. (a) The county property tax assessment board of appeals, after careful examination, shall approve or disapprove each exemption application and shall note its action on the application.

(b) If the county property tax assessment board of appeals approves the exemption, in whole or part:

(1) the county assessor shall notify the county auditor of the approval; and

(2) the county auditor shall note the board's action on the tax duplicate.

The county auditor's notation is notice to the county treasurer that the exempt property shall not be taxed for the current year unless otherwise ordered by the department of local government finance.

(c) If the exemption application is disapproved by the county property tax assessment board of appeals, the county assessor shall notify the applicant by mail. Within thirty (30) days after the notice is mailed, the owner may, in the manner prescribed in IC 6-1.1-15-3, petition the Indiana board to review the county property tax assessment board of appeals' determination.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.41; P.L.90-2002, SEC.104; P.L.264-2003, SEC.9.

IC 6-1.1-11-8

Review of approved application by department of local government finance; department action and rules

Sec. 8. (a) On or before:

(1) August 1 of each year, for an assessment date in a year that ends before January 1, 2016; and

(2) July 1 of each year, for an assessment date in a year that begins after December 31, 2015;

the county auditor of each county shall forward to the department of local government finance the duplicate copies of all approved exemption applications.

(b) The department of local government finance may review the approved applications forwarded under subsection (a). The department of local government finance may deny an exemption if the department determines that the property is not tax exempt under the laws of this state. However, before denying an exemption, the department of local government finance must give notice to the applicant, and the department must hold a hearing on the exemption

application.

(c) The department shall adopt rules under IC 4-22-2 with respect to exempt real property to:

(1) provide just valuations; and

(2) ensure that assessments are:

(A) made; and

(B) recorded;

in accordance with law.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.105; P.L.264-2003, SEC.10; P.L.28-2004, SEC.62; P.L.137-2012, SEC.14; P.L.111-2014, SEC.23.

IC 6-1.1-11-9

Assessment method; exemption for public properties

Sec. 9. (a) Except as provided in subsection (b) of this section, all property otherwise subject to assessment under this article shall be assessed in the usual manner, whether or not it is exempt from taxation.

(b) No assessment shall be made of property which is owned by the government of the United States, this state, an agency of this state, or a political subdivision of this state if the property is used, and in the case of real property occupied, by the owner.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.20.

IC 6-1.1-11-10

No application fee permitted

Sec. 10. No fee may be charged by a county auditor or county assessor, or the county auditor's or county assessor's employees, for filing or preparing an exemption application.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.65-1983, SEC.5; P.L.178-2002, SEC.16; P.L.264-2003, SEC.11.

IC 6-1.1-11-11

Conflict resolution regarding 2014 enactments

Sec. 11. If there is a conflict between a provision of this chapter that is added or changed in the 2014 session of the general assembly and a provision in another law, the provision in this chapter shall be treated as controlling the procedures related to an exemption from property taxation.

As added by P.L.111-2014, SEC.24.

IC 6-1.1-12

Chapter 12. Assessed Value Deductions and Deduction Procedures

IC 6-1.1-12-0.5

Basis for taxation after deduction

Sec. 0.5. For each year that a deduction from the assessed value of tangible property is allowed, the assessed value remaining after the deduction is the basis for taxation of the property.

As added by Acts 1979, P.L.52, SEC.1.

IC 6-1.1-12-0.7

Mortgage deduction; filing; appointees to act for elderly, blind, or disabled persons

Sec. 0.7. Any individual who is sixty-five (65) years of age, is blind, or has a disability (within the meaning of section 11 of this chapter) may appoint an individual eighteen (18) years of age or older to act on the individual's behalf for purposes of filing property tax deduction statements for any deductions provided by this chapter. If a statement is filed by an appointee, the appointee's name, address, and telephone number must be included in the statement.

As added by Acts 1981, P.L.25, SEC.2. Amended by P.L.99-2007, SEC.21.

IC 6-1.1-12-1

Deduction for property financed by mortgage or installment loan; home equity line of credit

Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

(1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property, with the mortgage or installment loan instrument recorded with the county recorder's office, that the person owns;

(2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that the person is buying under a contract, with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that the person is to pay the property taxes on the real property, mobile home, or manufactured home; or

(3) real property, a mobile home that is not assessed as real property, or a manufactured home that the person owns or is buying on a contract described in subdivision (2) on which the person has a home equity line of credit that is recorded in the county recorder's office.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction which the person may receive under this section for a particular year is:

(1) the balance of the mortgage or contract indebtedness

(including a home equity line of credit) on the assessment date of that year;

(2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or

(3) three thousand dollars ($3,000);

whichever is least.

(c) A person 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 which 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 with respect to that real property, mobile home, or manufactured home.

(d) The person must:

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under section 2 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.1; Acts 1981, P.L.69, SEC.1; P.L.6-1997, SEC.41; P.L.291-2001, SEC.129; P.L.144-2008, SEC.9; P.L.81-2010, SEC.1.

IC 6-1.1-12-2

Statement to apply for mortgage deduction; requirements; delegation of signing authority only by power of attorney; limitation on closing agent liability; county recorder

Sec. 2. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, for a person to qualify for the deduction provided by section 1 of this chapter a statement must be filed under subsection (b) or (c). Regardless of the manner in which a statement is filed, the mortgage, contract, or memorandum (including a home equity line of credit) must be recorded with the county recorder's office to qualify for a deduction under section 1 of this chapter.

(b) Subject to subsection (c), to apply for the deduction under section 1 of this chapter with respect to real property, the person recording the mortgage, home equity line of credit, contract, or memorandum of the contract with the county recorder may file a written statement with the county recorder containing the information described in subsection (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and (e)(8). The statement must be prepared on the form prescribed by the department of local government finance and be signed by the property owner or contract purchaser under the penalties of perjury. The form must have a place for the county recorder to insert the record number and page where the mortgage, home equity line of credit, contract, or memorandum of the contract is recorded. Upon receipt of the form and the recording of the mortgage, home equity line of credit, contract, or memorandum of the contract, the county recorder shall insert on the form the record number and page where

the mortgage, home equity line of credit, contract, or memorandum of the contract is recorded and forward the completed form to the county auditor. The county recorder may not impose a charge for the county recorder's duties under this subsection. The statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county recorder on or before January 5 of the immediately succeeding calendar year.

(c) With respect to:

(1) real property as an alternative to a filing under subsection (b); or

(2) a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property;

to apply for a deduction under section 1 of this chapter, a person who desires to claim the deduction may file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property the statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property.

(d) Upon receipt of:

(1) the statement under subsection (b); or

(2) the statement under subsection (c) and the recorded contract or recorded memorandum of the contract;

the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(e) The statement referred to in subsections (b) and (c) must be verified under penalties for perjury. The statement must contain the following information:

(1) The balance of the person's mortgage, home equity line of credit, or contract indebtedness that is recorded in the county recorder's office on the assessment date of the year for which the deduction is claimed.

(2) The assessed value of the real property, mobile home, or manufactured home.

(3) The full name and complete residence address of the person

and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage, home equity line of credit, or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or home equity line of credit or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(f) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

(g) A closing agent (as defined in section 43(a)(2) of this chapter) is not liable for any damages claimed by the property owner or contract purchaser because of:

(1) the closing agent's failure to provide the written statement described in subsection (b);

(2) the closing agent's failure to file the written statement described in subsection (b);

(3) any omission or inaccuracy in the written statement described in subsection (b) that is filed with the county recorder by the closing agent; or

(4) any determination made with respect to a property owner's or contract purchaser's eligibility for the deduction under section 1 of this chapter.

(h) The county recorder may not refuse to record a mortgage, contract, or memorandum because the written statement described in subsection (b):

(1) is not included with the mortgage, home equity line of credit, contract, or memorandum of the contract;

(2) does not contain the signatures required by subsection (b);

(3) does not contain the information described in subsection (e); or

(4) is otherwise incomplete or inaccurate.

(i) The form prescribed by the department of local government finance under subsection (b) and the instructions for the form must both include a statement:

(1) that explains that a person is not entitled to a deduction under section 1 of this chapter unless the person has a balance on the person's mortgage or contract indebtedness that is

recorded in the county recorder's office (including any home equity line of credit that is recorded in the county recorder's office) that is the basis for the deduction; and

(2) that specifies the penalties for perjury.

(j) The department of local government finance shall develop a notice:

(1) that must be displayed in a place accessible to the public in the office of each county auditor;

(2) that includes the information described in subsection (i); and

(3) that explains that the form prescribed by the department of local government finance to claim the deduction under section 1 of this chapter must be signed by the property owner or contract purchaser under the penalties of perjury.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.10; Acts 1980, P.L.39, SEC.2; Acts 1981, P.L.69, SEC.2; Acts 1982, P.L.44, SEC.1; P.L.55-1988, SEC.1; P.L.3-1989, SEC.32; P.L.291-2001, SEC.130; P.L.90-2002, SEC.106; P.L.177-2002, SEC.1; P.L.154-2006, SEC.11; P.L.183-2007, SEC.1; P.L.144-2008, SEC.10; P.L.75-2009, SEC.2; P.L.182-2009(ss), SEC.108; P.L.1-2010, SEC.21; P.L.81-2010, SEC.2.

IC 6-1.1-12-3

Claim of deduction for property financed by mortgage or installment loan by member of armed forces

Sec. 3. An individual may claim the deduction provided by section 1 of this chapter for the assessment date in a year in the manner prescribed in section 4 of this chapter if during the filing period prescribed in section 2 of this chapter that applies to the assessment date the individual was:

(1) a member of the United States armed forces; and

(2) away from the county of his residence as a result of military service.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.3; P.L.144-2008, SEC.11.

IC 6-1.1-12-4

Procedure for claim by member of armed forces

Sec. 4. (a) An individual who satisfies the requirements of section 3 of this chapter may file a claim for a deduction, or deductions, provided by section 1 of this chapter during the year following the year in which the individual is discharged from military service. The individual shall file the claim, on the forms prescribed for claiming a deduction under section 2 of this chapter, with the auditor of the county in which the real property is located. The claim shall specify the particular year, or years, for which the deduction is claimed. The individual shall attach to the claim an affidavit which states the facts concerning the individual's absence as a member of the United States armed forces.

(b) The county property tax assessment board of appeals shall examine the individual's claim and shall determine the amount of

deduction, or deductions, the individual is entitled to and the year, or years, for which deductions are due. Based on the board's determination, the county auditor shall calculate the excess taxes paid by the individual and shall refund the excess to the individual from funds not otherwise appropriated. The county auditor shall issue, and the county treasurer shall pay, a warrant for the amount, if any, to which the individual is entitled.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.4; P.L.55-1988, SEC.2; P.L.6-1997, SEC.43; P.L.154-2006, SEC.12; P.L.144-2008, SEC.12.

IC 6-1.1-12-5

Mortgage or contract deductions; members of armed forces; amount of deduction without claim

Sec. 5. A county auditor shall determine the amount of the deduction provided by section 1 of this chapter that an individual is entitled to and shall make an allowance for the deduction without a claim being filed if:

(1) the county auditor determines that the individual satisfies the requirements of section 3 of this chapter; and

(2) the individual is a resident of, and the real property is located in, the county that the auditor serves.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.5.

IC 6-1.1-12-6

Mortgage or contract deductions; transmission of application to second county

Sec. 6. (a) The auditor of a county (referred to in this section as the "first county") with whom a deduction application is filed under section 2 of this chapter shall immediately prepare and transmit a copy of the application to the auditor of any other county (referred to in this section as the "second county") if:

(1) the residence of the applicant is located in the second county; or

(2) the applicant has applied for a deduction under section 2 of this chapter in the second county.

(b) The county property tax assessment board of appeals of the second county shall note on the copy of the application either:

(1) the amount of the deduction provided under section 1 of this chapter that has been granted in the second county; or

(2) that no deduction application has been filed under section 2 of this chapter in the second county.

The board shall then return the copy to the auditor of the first county.

(c) The county property tax assessment board of appeals of the first county shall then take appropriate action on the application. The board may not grant a deduction provided under section 1 of this chapter in an amount which will exceed the difference between the amount granted in any other county and the maximum amount permitted the applicant under section 1 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.6; P.L.6-1997, SEC.44.

IC 6-1.1-12-7
Mortgage or contract deductions; granting

Sec. 7. Each year, the county auditor shall ascertain if more than one (1) application has been filed by the same person. The county auditor shall take appropriate action to grant the deductions provided under section 1 of this chapter in amounts that do not exceed the maximum allowed each person under section 1 of this chapter.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.7; P.L.6-1997, SEC.45.

IC 6-1.1-12-8
Repealed

(Repealed by P.L.98-2000, SEC.30.)

IC 6-1.1-12-9
Deduction for person 65 or older; limitations; surviving spouse; contract purchaser; common ownership

Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars ($25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or

manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars ($182,430);

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, (for assessment dates after February 28, 2008) 37.5, and 38 of this chapter; and

(7) the person:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 10.1 of this chapter is filed.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(7).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the

property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.33, SEC.1; Acts 1979, P.L.54, SEC.1; Acts 1980, P.L.39, SEC.9; Acts 1981, P.L.25, SEC.3; Acts 1982, P.L.45, SEC.1; P.L.24-1986, SEC.14; P.L.60-1986, SEC.1; P.L.332-1989(ss), SEC.6; P.L.41-1992, SEC.1; P.L.48-1996, SEC.1; P.L.6-1997, SEC.46; P.L.155-1999, SEC.1; P.L.291-2001, SEC.131; P.L.272-2003, SEC.1; P.L.20-2004, SEC.1; P.L.219-2007, SEC.25; P.L.144-2008, SEC.13; P.L.1-2010, SEC.22; P.L.113-2010, SEC.23.

IC 6-1.1-12-9.1
Repealed

(Repealed by Acts 1980, P.L.39, SEC.11.)

IC 6-1.1-12-10
Repealed

(Repealed by Acts 1980, P.L.40, SEC.2.)

IC 6-1.1-12-10.1
Persons over 65 or surviving spouse; filing claim

Sec. 10.1. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) the source and exact amount of gross income received by the

individual and the individual's spouse during the preceding calendar year;

(2) the description and assessed value of the real property, mobile home, or manufactured home;

(3) the individual's full name and complete residence address;

(4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and

(5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

As added by Acts 1980, P.L.40, SEC.1. Amended by Acts 1982, P.L.44, SEC.2; Acts 1982, P.L.45, SEC.2; P.L.55-1988, SEC.3; P.L.291-2001, SEC.132; P.L.90-2002, SEC.107; P.L.154-2006, SEC.13; P.L.183-2007, SEC.2; P.L.144-2008, SEC.14; P.L.183-2014, SEC.7.

IC 6-1.1-12-11

Deduction for blind or disabled person; limitations; contract purchaser

Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars ($12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the individual is blind or the individual has a disability;

(2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the individual's residence;

(3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars ($17,000); and

(4) the individual:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

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

(b) For purposes of this section, taxable gross income does not

include income which is not taxed under the federal income tax laws.

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

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

(1) can be expected to result in death; or

(2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) An individual with a disability filing a claim under this section shall submit proof of disability in such form and manner as the department shall by rule prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of this section.

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

(g) 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.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.55, SEC.2; Acts 1981, P.L.25, SEC.4; Acts 1982, P.L.45, SEC.3; P.L.332-1989(ss), SEC.7; P.L.49-1990, SEC.1; P.L.2-1992, SEC.57; P.L.48-1996, SEC.2; P.L.6-1997, SEC.47; P.L.291-2001, SEC.133; P.L.20-2004, SEC.2; P.L.99-2007, SEC.22; P.L.144-2008, SEC.15; P.L.1-2010, SEC.23.

IC 6-1.1-12-12

Blind persons; filing claim; proof of blindness; contents of application

Sec. 12. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not

assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of the division of family resources or the division of disability and rehabilitative services; or

(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.12; Acts 1982, P.L.44, SEC.3; Acts 1982, P.L.45, SEC.4; P.L.41-1987, SEC.4; P.L.55-1988, SEC.4; P.L.2-1992, SEC.58; P.L.4-1993, SEC.9; P.L.5-1993, SEC.21; P.L.291-2001, SEC.134; P.L.90-2002, SEC.108; P.L.177-2002, SEC.2; P.L.141-2006, SEC.9; P.L.145-2006, SEC.16; P.L.154-2006, SEC.14; P.L.1-2007, SEC.40; P.L.183-2007, SEC.3; P.L.144-2008, SEC.16; P.L.146-2008, SEC.108; P.L.1-2009, SEC.29; P.L.183-2014, SEC.8.

IC 6-1.1-12-13

Deduction for veteran with partial disability; limitations; surviving spouse; contract purchaser

Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars ($24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

(1) the individual served in the military or naval forces of the United States during any of its wars;

(2) the individual received an honorable discharge;

(3) the individual has a disability with a service connected disability of ten percent (10%) or more;

(4) the individual's disability is evidenced by:

(A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and

(5) the individual:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 15 of this chapter is filed.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death and the surviving spouse satisfies the requirement of subsection (a)(5) at the time the deduction statement is filed. The surviving spouse is entitled to the deduction regardless of whether the property for which the deduction is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) 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.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.5.) As amended by Acts 1982, P.L.45, SEC.5; P.L.68-1983, SEC.1; P.L.60-1985, SEC.1; P.L.1-1990, SEC.68; P.L.6-1997, SEC.48; P.L.123-1999, SEC.1; P.L.291-2001, SEC.135; P.L.20-2004, SEC.3; P.L.99-2007, SEC.23; P.L.144-2008, SEC.17; P.L.1-2010, SEC.24; P.L.293-2013(ts), SEC.1.

IC 6-1.1-12-14

Deduction for totally disabled veteran or veteran age 62 and partially disabled; surviving spouse; contract purchaser

Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars ($12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the

contract is recorded in the county recorder's office) if:

(1) the individual served in the military or naval forces of the United States for at least ninety (90) days;

(2) the individual received an honorable discharge;

(3) the individual either:

(A) has a total disability; or

(B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%);

(4) the individual's disability is evidenced by:

(A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and

(5) the individual:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 15 of this chapter is filed.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death and the surviving spouse satisfies the requirement of subsection (a)(5) at the time the deduction statement is filed. The surviving spouse is entitled to the deduction regardless of whether the property for which the deduction is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds one hundred forty-three thousand one hundred sixty dollars ($143,160).

(d) 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.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.6.) As amended by Acts 1982, P.L.45, SEC.6; P.L.68-1983, SEC.2; P.L.60-1985, SEC.2; P.L.332-1989(ss), SEC.8; P.L.1-1990, SEC.69; P.L.48-1996, SEC.3; P.L.6-1997, SEC.49; P.L.123-1999, SEC.3; P.L.291-2001, SEC.136; P.L.272-2003, SEC.2; P.L.20-2004, SEC.4; P.L.219-2007, SEC.26; P.L.99-2007, SEC.24; P.L.144-2008, SEC.18; P.L.3-2008, SEC.35; P.L.1-2009, SEC.30; P.L.293-2013(ts),

SEC.2.

IC 6-1.1-12-15
Claim by veteran; guardianship; contract purchaser

Sec. 15. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 13 or 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section. If a deceased veteran's surviving spouse is claiming the deduction, the surviving spouse shall provide the documentation necessary to establish that at the time of death the deceased veteran satisfied the requirements of section 13(a)(1) through 13(a)(4) of this chapter or section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979,

P.L.56, SEC.13; Acts 1982, P.L.44, SEC.4; Acts 1982, P.L.45, SEC.7; P.L.55-1988, SEC.5; P.L.1-1990, SEC.70; P.L.123-1999, SEC.5; P.L.291-2001, SEC.137; P.L.177-2002, SEC.3; P.L.154-2006, SEC.15; P.L.183-2007, SEC.4; P.L.144-2008, SEC.19; P.L.293-2013(ts), SEC.3; P.L.183-2014, SEC.9.

IC 6-1.1-12-16
Deduction for surviving spouse of veteran; limitations; contract purchaser

Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars ($18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that the surviving spouse is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918;
(2) the deceased spouse received an honorable discharge; and
(3) the surviving spouse:
(A) owns the real property, mobile home, or manufactured home; or
(B) is buying the real property, mobile home, or manufactured home under contract;
on the date the statement required by section 17 of this chapter is filed.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) 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.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.7.) As amended by Acts 1978, P.L.33, SEC.2; Acts 1982, P.L.45, SEC.8; P.L.6-1997, SEC.50; P.L.291-2001, SEC.138; P.L.20-2004, SEC.5; P.L.144-2008, SEC.20; P.L.1-2009, SEC.31.

IC 6-1.1-12-17
Claim by surviving spouse of veteran

Sec. 17. Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must

file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the deduction; and

(2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.8.) As amended by Acts 1979, P.L.56, SEC.14; Acts 1982, P.L.44, SEC.5; Acts 1982, P.L.45, SEC.9; P.L.55-1988, SEC.6; P.L.1-1990, SEC.71; P.L.177-2002, SEC.4; P.L.154-2006, SEC.16; P.L.183-2007, SEC.5; P.L.144-2008, SEC.21; P.L.183-2014, SEC.10.

IC 6-1.1-12-17.4

Deduction for World War I veteran; limitations; tenants by the entirety; contract purchaser

Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars ($18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

(1) the real property, mobile home, or manufactured home is the veteran's principal residence;

(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars ($206,500);

(3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; and

(4) the veteran:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17.5 of this chapter is filed.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (a).

(d) 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 with respect to that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.52, SEC.1.) As amended by Acts 1978, P.L.33, SEC.3; Acts 1981, P.L.25, SEC.5; Acts 1982, P.L.45, SEC.10; P.L.332-1989(ss), SEC.9; P.L.48-1996, SEC.4; P.L.6-1997, SEC.51; P.L.291-2001, SEC.139; P.L.272-2003, SEC.3; P.L.20-2004, SEC.6; P.L.219-2007, SEC.27; P.L.144-2008, SEC.22; P.L.1-2009, SEC.32.

IC 6-1.1-12-17.5

Claim by World War I veteran

Sec. 17.5. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must complete and date the statement in the calendar year for which the veteran wishes to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a

contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) a description and the assessed value of the real property, mobile home, or manufactured home;

(2) the veteran's full name and complete residence address;

(3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and

(4) any additional information which the department of local government finance may require.

(Formerly: Acts 1975, P.L.52, SEC.2.) As amended by Acts 1978, P.L.33, SEC.4; Acts 1979, P.L.56, SEC.15; Acts 1982, P.L.44, SEC.6; Acts 1982, P.L.45, SEC.11; P.L.69-1983, SEC.1; P.L.55-1988, SEC.7; P.L.291-2001, SEC.140; P.L.90-2002, SEC.109; P.L.177-2002, SEC.5; P.L.154-2006, SEC.17; P.L.183-2007, SEC.6; P.L.144-2008, SEC.23; P.L.183-2014, SEC.11.

IC 6-1.1-12-17.8

Automatic carryover of deductions; termination of standard deduction by county auditor; jointly held property, trusts, and cooperative housing corporations

Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year. However, for purposes of a deduction under section 37 of this chapter, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

(1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or

(2) the last known address of the most recent owner shown in the transfer book.

(b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property, mobile home, or manufactured home for which the individual claims the

deduction is located of the individual's ineligibility in the year in which the individual becomes ineligible. An individual who becomes ineligible for a deduction under section 37 of this chapter shall notify the county auditor of the county in which the property is located in conformity with section 37 of this chapter.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

(1) the individual is the sole owner of the property following the death of the individual's spouse;

(2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or

(3) the individual is awarded sole ownership of the property in a divorce decree.

However, for purposes of a deduction under section 37 of this chapter, if the removal of the joint owner occurs before the date that a notice described in IC 6-1.1-22-8.1(b)(9) is sent, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records or the last known address of the most recent owner shown in the transfer book.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

(1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, 17.4, or 37 of this chapter in a particular year; and

(2) the trust remains eligible for the deduction in the following year.

However, for purposes of a deduction under section 37 of this chapter, the individuals that qualify the trust for a deduction must comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January

1, 2013.

(f) A cooperative housing corporation (as defined in 26 U.S.C. 216) that is entitled to a deduction under section 37 of this chapter in the immediately preceding calendar year for a homestead (as defined in section 37 of this chapter) is not required to file a statement to apply for the deduction for the current calendar year if the cooperative housing corporation remains eligible for the deduction for the current calendar year. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

(1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or

(2) the last known address of the most recent owner shown in the transfer book.

(g) An individual who:

(1) was eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2007, or January 15, 2008, assessment date; or

(2) would have been eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had not been repealed;

is not required to file a statement to apply for a deduction under section 37 of this chapter if the individual remains eligible for the deduction in the current year. An individual who filed for a homestead credit under IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if the property is real property), or after January 1, 2008 (if the property is personal property), shall be treated as an individual who has filed for a deduction under section 37 of this chapter. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book.

(h) If a county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in

IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall reinstate the deduction if the taxpayer provides proof that the taxpayer is eligible for the deduction and is not claiming the deduction for any other property.

(i) A taxpayer described in section 37(k) of this chapter is not required to file a statement to apply for the deduction provided by section 37 of this chapter for a calendar year beginning after December 31, 2008, if the property owned by the taxpayer remains eligible for the deduction for that calendar year. However, the county auditor may terminate the deduction for assessment dates after January 15, 2012, if the individual residing on the property owned by the taxpayer does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the individual residing on the property did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

(1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or

(2) the last known address of the most recent owner shown in the transfer book.

As added by Acts 1982, P.L.44, SEC.7. Amended by P.L.125-1999, SEC.1; P.L.291-2001, SEC.141; P.L.154-2006, SEC.18; P.L.95-2007, SEC.1; P.L.144-2008, SEC.24; P.L.87-2009, SEC.2; P.L.182-2009(ss), SEC.109.

IC 6-1.1-12-17.9

Trust eligibility for certain deductions; requirements

Sec. 17.9. A trust is entitled to a deduction under section 9, 11, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual if the county auditor determines that the individual:

(1) upon verification in the body of the deed or otherwise, has either:

(A) a beneficial interest in the trust; or

(B) the right to occupy the real property rent free under the terms of a qualified personal residence trust created by the individual under United States Treasury Regulation 25.2702-5(c)(2);

(2) otherwise qualifies for the deduction; and

(3) would be considered the owner of the real property under IC 6-1.1-1-9(f) or IC 6-1.1-1-9(g).

As added by P.L.95-2007, SEC.2. Amended by P.L.101-2008, SEC.2.

IC 6-1.1-12-18

Deduction for rehabilitated residential real property; limitations

Sec. 18. (a) If the assessed value of residential real property described in subsection (d) is increased because it has been

rehabilitated, the owner may have deducted from the assessed value of the property an amount not to exceed the lesser of:

(1) the total increase in assessed value resulting from the rehabilitation; or

(2) eighteen thousand seven hundred twenty dollars ($18,720) per rehabilitated dwelling unit.

The owner is entitled to this deduction annually for a five (5) year period.

(b) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure which are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(c) For the purposes of this section, the term "owner" or "property owner" includes any person who has the legal obligation, or has otherwise assumed the obligation, to pay the real property taxes on the rehabilitated property.

(d) The deduction provided by this section applies only:

(1) for the rehabilitation of residential real property which is located within this state and which is described in one (1) of the following classifications:

(A) A single family dwelling if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed thirty-seven thousand four hundred forty dollars ($37,440).

(B) A two (2) family dwelling if before rehabilitation the assessed value (excluding exemptions or deductions) of the improvements does not exceed forty-nine thousand nine hundred twenty dollars ($49,920).

(C) A dwelling with more than two (2) family units if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed eighteen thousand seven hundred twenty dollars ($18,720) per dwelling unit; and

(2) if the property owner:

(A) owns the residential real property; or

(B) is buying the residential real property under contract;

on the assessment date of the year in which an application must be filed under section 20 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.21; Acts 1977, P.L.67, SEC.1; P.L.6-1997, SEC.52; P.L.129-2001, SEC.2; P.L.90-2002, SEC.110; P.L.20-2004, SEC.7; P.L.144-2008, SEC.25.

IC 6-1.1-12-19

Rehabilitated residential property; duration of deduction

Sec. 19. The deduction from assessed value provided by section 18 of this chapter is first available in the year in which the increase in assessed value resulting from the rehabilitation occurs and shall continue for the following four (4) years. In the sixth (6th) year, the

county auditor shall add the amount of the deduction to the assessed value of the real property. A:

(1) general reassessment of real property under IC 6-1.1-4-4; or

(2) reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

which occurs within the five (5) year period of the deduction does not affect the amount of the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.112-2012, SEC.25.

IC 6-1.1-12-20

Claim for deduction for rehabilitated residential real property

Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) and subject to section 45 of this chapter, the application must be filed in the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before December 1 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The application required by this section shall contain the following information:

(1) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(2) Statements of the ownership of the property.

(3) The assessed value of the improvements on the property before rehabilitation.

(4) The number of dwelling units on the property.

(5) The number of dwelling units rehabilitated.

(6) The increase in assessed value resulting from the rehabilitation.

(7) The amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

(e) On verification of an application by the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, the county auditor shall make the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.53, SEC.1.) As amended by Acts 1977, P.L.2, SEC.22; Acts 1979, P.L.56, SEC.16; P.L.90-2002, SEC.111; P.L.154-2006, SEC.19; P.L.144-2008,

SEC.26; P.L.146-2008, SEC.109; P.L.1-2009, SEC.33.

IC 6-1.1-12-21
Rehabilitated real property; reassessment; notice of deductions required

Sec. 21. When real property is reassessed because it has been rehabilitated, the assessing official who, or the county property tax assessment board of appeals which, makes the reassessment shall give the owner notice of the property tax deductions provided by sections 18 and 22 of this chapter. The official or county property tax assessment board of appeals shall attach the notice to the reassessment notice required by IC 6-1.1-4-22.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.67, SEC.2; P.L.6-1997, SEC.53.

IC 6-1.1-12-22
Deduction for rehabilitated property; limitations

Sec. 22. (a) If the assessed value of property is increased because it has been rehabilitated and the owner has paid at least ten thousand dollars ($10,000) for the rehabilitation, the owner is entitled to have deducted from the assessed value of the property an amount equal to fifty percent (50%) of the increase in assessed value resulting from the rehabilitation. The owner is entitled to this deduction annually for a five (5) year period. However, the maximum deduction which a property owner may receive under this section for a particular year is:

(1) one hundred twenty-four thousand eight hundred dollars ($124,800) for a single family dwelling unit; or
(2) three hundred thousand dollars ($300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure that are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(d) The deduction provided by this section applies only if the property owner:

(1) owns the property; or
(2) is buying the property under contract;

on the assessment date of the year in which an application must be filed under section 24 of this chapter.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.54-1997, SEC.1; P.L.6-1997, SEC.54; P.L.2-1998, SEC.18; P.L.129-2001, SEC.3; P.L.90-2002, SEC.112; P.L.20-2004, SEC.8; P.L.144-2008, SEC.27.

IC 6-1.1-12-23
Rehabilitated property; duration of deduction

Sec. 23. The deduction from assessed value provided by section 22 of this chapter is first available after the first assessment date following the rehabilitation and shall continue for the taxes first due and payable in the following five (5) years. In the sixth (6th) year, the county auditor shall add the amount of the deduction to the assessed value of the property. Any:

(1) general reassessment of real property under IC 6-1.1-4-4; or

(2) reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

which occurs within the five (5) year period of the deduction does not affect the amount of the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.129-2001, SEC.4; P.L.112-2012, SEC.26.

IC 6-1.1-12-24
Claim for deduction for rehabilitated property

Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) and subject to section 45 of this chapter, the application must be filed in the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before December 1 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The application required by this section shall contain the following information:

(1) The name of the property owner.

(2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(3) The assessed value of the improvements on the property before rehabilitation.

(4) The increase in the assessed value of improvements resulting from the rehabilitation.

(5) The amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, the

county auditor shall make the deduction.
(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.53, SEC.2.) As amended by Acts 1979, P.L.56, SEC.17; P.L.90-2002, SEC.113; P.L.154-2006, SEC.20; P.L.144-2008, SEC.28; P.L.146-2008, SEC.110; P.L.1-2009, SEC.34; P.L.113-2010, SEC.24.

IC 6-1.1-12-25
Rehabilitated property; electing either IC 6-1.1-12-18 or IC 6-1.1-12-22 deduction

Sec. 25. For repairs or improvements made to a particular building or structure, a person may receive either the deduction provided by section 18 of this chapter or the deduction provided by section 22 of this chapter. He may not receive deductions under both sections for the repairs or improvements.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-12-25.5
Rehabilitated property; deductions; denial; appeal

Sec. 25.5. If a deduction applied for under section 20 or 24 of this chapter is not granted in full, the county auditor shall notify the applicant by mail. A taxpayer may appeal a ruling that wholly or partially denies a deduction claimed under section 20 or 24 of this chapter in the same manner that appeals may be taken under IC 6-1.1-15.
As added by P.L.70-1983, SEC.1.

IC 6-1.1-12-26
Solar energy heating or cooling system

Sec. 26. (a) The owner of real property, or a mobile home which is not assessed as real property, which is equipped with a solar energy heating or cooling system may have deducted annually from the assessed value of the real property or mobile home an amount which is equal to the out-of-pocket expenditures by the owner (or a previous owner) of the real property or mobile home for:

(1) the components; and
(2) the labor involved in installing the components;

that are unique to the system and that are needed to collect, store, or distribute solar energy.

(b) The tangible property to which subsection (a) applies includes a solar thermal air system and any solar energy heating or cooling system used for:

(1) domestic hot water or space heat, or both, including pool heating; or
(2) preheating for an industrial process.

(c) Subsection (a) does not apply to tangible property that would not be subject to assessment and taxation under this article if this section did not apply.

(d) For purposes of subsection (a), proof of out-of-pocket expenditures may be demonstrated by invoices or other evidence of a purchase and installation, as determined under rules or guidelines

prescribed by the department of local government finance.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.68, SEC.1; Acts 1979, P.L.56, SEC.1; P.L.90-2002, SEC.114; P.L.113-2010, SEC.25.

IC 6-1.1-12-26.1
Solar power devices

Sec. 26.1. (a) This section applies only to a solar power device that is installed after December 31, 2011.

(b) This section does not apply to a solar power device that is owned or operated by a person that provides electricity at wholesale or retail for consideration other than a person that:

(1) participates in a net metering or feed-in-tariff program offered by an electric utility with respect to the solar power device; or

(2) is the owner or host of the solar power device site and a person consumes on the site the equivalent amount of electricity that is generated by the solar power device on an annual basis even if the electricity is sold to a public utility, including a solar power device directly serving a public utility's business operations site.

(c) For purposes of this section, "solar power device" means a device, such as a solar thermal, a photovoltaic, or other solar energy system, that is designed to use the radiant light or heat from the sun to produce electricity.

(d) The owner of real property equipped with a solar power device that is assessed as a real property improvement may have deducted annually from the assessed value of the real property an amount equal to:

(1) the assessed value of the real property with the solar power device included; minus

(2) the assessed value of the real property without the solar power device.

(e) The owner of a solar power device that is assessed as:

(1) distributable property under IC 6-1.1-8; or

(2) personal property;

may have deducted annually the assessed value of the solar power device.
As added by P.L.137-2012, SEC.15.

IC 6-1.1-12-26.2
Property tax deduction for heritage barns

Sec. 26.2. (a) The following definitions apply throughout this section:

(1) "Barn" means a building (other than a dwelling) that was designed to be used for:

(A) housing animals;

(B) storing or processing crops;

(C) storing and maintaining agricultural equipment; or

(D) serving an essential or useful purpose related to

agricultural activities conducted on the adjacent land.

(2) "Heritage barn" means a barn that on the assessment date:

(A) was constructed before 1950;

(B) retains sufficient integrity of design, materials, and construction to clearly identify the building as a barn;

(C) is not being used for agricultural purposes in the operation of an agricultural enterprise; and

(D) is not being used for a business purpose.

(3) "Eligible applicant" means:

(A) an owner of a heritage barn; or

(B) a person that is purchasing property, including a heritage barn, under a contract that:

(i) gives the person a right to obtain title to the property upon fulfilling the terms of the contract;

(ii) does not permit the owner to terminate the contract as long as the person buying the property complies with the terms of the contract;

(iii) specifies that during the term of the contract the person must pay the property taxes on the property; and

(iv) has been recorded with the county recorder.

(b) An eligible applicant is entitled to a deduction against the assessed value of the structure and foundation of a heritage barn beginning with assessments after 2014. The deduction is equal to one hundred percent (100%) of the assessed value of the structure and foundation of the heritage barn.

(c) An eligible applicant that desires to obtain the deduction provided by this section must file a certified deduction application with the auditor of the county in which the heritage barn is located. The application may be filed in person or by mail. The application must contain the information and be in the form prescribed by the department of local government finance. If mailed, the mailing must be postmarked on or before the last day for filing.

(d) Subject to subsection (e) and section 45 of this chapter, the application must be filed during the year preceding the year in which the deduction will first be applied. Upon verification of the application by the county assessor of the county in which the property is subject to assessment or by the township assessor of the township in which the property is subject to assessment (if there is a township assessor for the township), the auditor of the county shall allow the deduction.

(e) The auditor of a county shall, in a particular year, apply the deduction provided under this section to the heritage barn of the owner that received the deduction in the preceding year unless the auditor of the county determines that the property is no longer eligible for the deduction. A person that receives a deduction under this section in a particular year and that remains eligible for the deduction in the following year is not required to file an application for the deduction in the following year. A person that receives a deduction under this section in a particular year and that becomes ineligible for the deduction in the following year shall notify the

auditor of the county in which the property is located of the ineligibility in the year in which the person becomes ineligible. A deduction under this section terminates following a change in ownership of the heritage barn. However, a deduction under this section does not terminate following the removal of less than all the joint owners of property or purchasers of property under a contract described in subsection (a).

(f) A county fiscal body may adopt an ordinance to require a person receiving the deduction under this section to pay an annual public safety fee for each heritage barn for which the person receives a deduction under this section. The fee may not exceed fifty dollars ($50). The county auditor shall distribute any public safety fees collected under this section equitably among the police and fire departments in whose territories each heritage barn is located. If a county fiscal body adopts an ordinance under this subsection, the county fiscal body shall furnish a copy of the ordinance to the department in the manner prescribed by the department.

As added by P.L.117-2014, SEC.4.

IC 6-1.1-12-27
Repealed

(Repealed by Acts 1980, P.L.40, SEC.4.)

IC 6-1.1-12-27.1
Claim for deduction for solar energy heating or cooling system; solar power device

Sec. 27.1. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 or 26.1 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, manufactured home, or solar power device is subject to assessment. With respect to real property or a solar power device that is assessed as distributable property under IC 6-1.1-8 or as personal property, the person must complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, with respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

(1) own the real property, mobile home, or manufactured home or own the solar power device;

(2) be buying the real property, mobile home, manufactured home, or solar power device under contract; or

(3) be leasing the real property from the real property owner and be subject to assessment and property taxation with respect to

the solar power device;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property, mobile home, manufactured home, or solar power device is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

As added by Acts 1980, P.L.40, SEC.3. Amended by P.L.43-1984, SEC.1; P.L.55-1988, SEC.8; P.L.90-2002, SEC.115; P.L.183-2007, SEC.7; P.L.144-2008, SEC.29; P.L.146-2008, SEC.111; P.L.1-2009, SEC.35; P.L.113-2010, SEC.26; P.L.137-2012, SEC.16; P.L.183-2014, SEC.12.

IC 6-1.1-12-28

Repealed

(Repealed by Acts 1979, P.L.52, SEC.5.)

IC 6-1.1-12-28.5

Resource recovery system; prerequisites for deduction; definitions

Sec. 28.5. (a) For purposes of this section:

(1) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a) and includes a waste determined to be a hazardous waste under IC 13-22-2-3(b).

(2) "Resource recovery system" means tangible property directly used to dispose of solid waste or hazardous waste by converting it into energy or other useful products.

(3) "Solid waste" has the meaning set forth in IC 13-11-2-205(a) but does not include dead animals or any animal solid or semisolid wastes.

(b) Except as provided in this section, the owner of a resource recovery system is entitled to an annual deduction in an amount equal to ninety-five percent (95%) of the assessed value of the system if:

(1) the system was certified by the department of environmental management for the 1993 assessment year or a prior assessment year; and

(2) the owner filed a timely application for the deduction for the 1993 assessment year.

For purposes of this section, a system includes tangible property that replaced tangible property in the system after the certification by the department of environmental management.

(c) The owner of a resource recovery system that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of any violation under IC 13-7-13-3 (repealed), IC 13-7-13-4 (repealed), or a criminal statute under IC 13; or

(2) is subject to an order or a consent decree with respect to property located in Indiana based upon a violation of a federal or state rule, regulation, or statute governing the treatment,

storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(d) The certification of a resource recovery system by the department of environmental management for the 1993 assessment year or a prior assessment year is valid through the 1997 assessment year so long as the property is used as a resource recovery system. If the property is no longer used for the purpose for which the property was used when the property was certified, the owner of the property shall notify the county auditor. However, the deduction from the assessed value of the system is:

(1) ninety-five percent (95%) for the 1994 assessment year;

(2) ninety percent (90%) for the 1995 assessment year;

(3) seventy-five percent (75%) for the 1996 assessment year; and

(4) sixty percent (60%) for the 1997 assessment year.

Notwithstanding this section as it existed before 1995, for the 1994 assessment year, the portion of any tangible property comprising a resource recovery system that was assessed and first deducted for the 1994 assessment year may not be deducted for property taxes first due and payable in 1995 or later.

(e) In order to qualify for a deduction under this section, the person who desires to claim the deduction must file an application with the county auditor after February 28 and before May 16 of the current assessment year. An application must be filed in each year for which the person desires to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. If the application is not filed before the applicable deadline under this subsection, the deduction is waived. The application must be filed on a form prescribed by the department of local government finance. The application for a resource recovery system deduction must include:

(1) a certification by the department of environmental management for the 1993 assessment year or a prior assessment year as described in subsection (d); or

(2) the certification by the department of environmental management for the 1993 assessment year as described in subsection (g).

Beginning with the 1995 assessment year a person must also file an itemized list of all property on which a deduction is claimed. The list must include the date of purchase of the property and the cost to acquire the property.

(f) Before July 1, 1995, the department of environmental management shall transfer all the applications, records, or other material the department has with respect to resource recovery system deductions under this section for the 1993 and 1994 assessment years. The township assessor, or the county assessor if there is no township assessor for the township, shall verify each deduction application filed under this section and the county auditor shall determine the deduction. The county auditor shall send to the department of local government finance a copy of each deduction

application. The county auditor shall notify the county property tax assessment board of appeals of all deductions allowed under this section. A denial of a deduction claimed under this subsection may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor, the county assessor, or the county auditor.

(g) Notwithstanding subsection (d), the certification for the 1993 assessment year of a resource recovery system in regard to which a political subdivision is liable for the payment of the property taxes remains valid at the ninety-five percent (95%) deduction level allowed before 1994 as long as the political subdivision remains liable for the payment of the property taxes on the system.

As added by Acts 1979, P.L.52, SEC.2. Amended by P.L.61-1985, SEC.1; P.L.19-1986, SEC.6; P.L.25-1995, SEC.15; P.L.1-1996, SEC.38; P.L.6-1997, SEC.55; P.L.198-2001, SEC.34; P.L.137-2007, SEC.2; P.L.146-2008, SEC.112.

IC 6-1.1-12-28.6
Repealed

(Repealed by P.L.69-1983, SEC.12.)

IC 6-1.1-12-29
Wind power device; definition

Sec. 29. (a) This section does not apply to a wind power device that is owned or operated by:

(1) a public utility (as defined in IC 8-1-2-1(a)); or

(2) another entity that provides electricity at wholesale or retail for consideration, other than a person who participates in a net metering program offered by an electric utility.

This subsection shall be interpreted to clarify and not to change the general assembly's intent with respect to this section.

(b) For purposes of this section, "wind power device" means a device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity.

(c) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a wind power device is entitled to an annual property tax deduction. The amount of the deduction equals the remainder of (1) the assessed value of the real property or mobile home with the wind power device included, minus (2) the assessed value of the real property or mobile home without the wind power device.

As added by Acts 1979, P.L.56, SEC.3. Amended by P.L.46-2011, SEC.1.

IC 6-1.1-12-30
Claim for deduction for wind power device

Sec. 30. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file

a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must complete and date the statement in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

As added by Acts 1979, P.L.56, SEC.4. Amended by P.L.43-1984, SEC.2; P.L.90-2002, SEC.116; P.L.154-2006, SEC.21; P.L.183-2007, SEC.8; P.L.144-2008, SEC.30; P.L.146-2008, SEC.113; P.L.1-2009, SEC.36; P.L.183-2014, SEC.13.

IC 6-1.1-12-31

Deduction for coal conversion system; limitations

Sec. 31. (a) For purposes of this section, "coal conversion system" means tangible property directly used to convert coal into a gaseous or liquid fuel or char. This definition includes coal liquification, gasification, pyrolysis, and a fluid bed combustion system designed for pollution control.

(b) For each calendar year which begins after December 31, 1979, and before January 1, 1988, the owner of a coal conversion system which is used to process coal is entitled to a deduction from the assessed value of the system. The amount of the deduction for a particular calendar year equals the product of (1) ninety-five percent (95%) of the assessed value of the system, multiplied by (2) a fraction. The numerator of the fraction is the amount of Indiana coal converted by the system during the immediately preceding calendar year and the denominator of the fraction is the total amount of coal converted by the system during the immediately preceding calendar year.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the property; or

(2) is buying the property under contract;

on the assessment date for which the deduction applies.

As added by Acts 1980, P.L.41, SEC.1. Amended by Acts 1981, P.L.70, SEC.1; P.L.24-1984, SEC.4; P.L.144-2008, SEC.31.

IC 6-1.1-12-32
Repealed

(Repealed by P.L.69-1983, SEC.12.)

IC 6-1.1-12-33
Deduction for hydroelectric power device; limitations

Sec. 33. (a) For purposes of this section "hydroelectric power device" means a device which is installed after December 31, 1981, and is designed to utilize the kinetic power of moving water to provide mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a hydroelectric power device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of:

(1) the assessed value of the real property or mobile home with the hydroelectric power device; minus

(2) the assessed value of the real property or mobile home without the hydroelectric power device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract;

on the date the statement is filed under section 35.5 of this chapter.

As added by Acts 1981, P.L.71, SEC.1. Amended by P.L.144-2008, SEC.32.

IC 6-1.1-12-34
Deduction for geothermal energy heating or cooling device; limitations

Sec. 34. (a) For purposes of this section, "geothermal energy heating or cooling device" means a device that is installed after December 31, 1981, and is designed to utilize the natural heat from the earth to provide hot water, produce electricity, or generate heating or cooling.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a geothermal energy heating or cooling device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the geothermal heating or cooling device; minus (2) the assessed value of the real property or mobile home without the geothermal heating or cooling device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract;

on the date the statement is filed under section 35.5 of this chapter.

As added by Acts 1981, P.L.71, SEC.2. Amended by P.L.144-2008, SEC.33.

IC 6-1.1-12-34.5
Deduction for use of coal combustion products; limitations

Sec. 34.5. (a) As used in this section, "coal combustion product" has the meaning set forth in IC 6-1.1-44-1.

(b) As used in this section, "qualified building" means a building designed and constructed to systematically use qualified materials throughout the building.

(c) For purposes of this section, building materials are "qualified materials" if at least sixty percent (60%) of the materials' dry weight consists of coal combustion products.

(d) The owner of a qualified building, as determined by the center for coal technology research, is entitled to a property tax deduction for not more than three (3) years. The amount of the deduction equals the product of:

(1) the assessed value of the qualified building; multiplied by

(2) five percent (5%).

(e) The deduction provided by this section applies only if the building owner:

(1) owns the building; or

(2) is buying the building under contract;

on the assessment date for which the deduction applies.

As added by P.L.214-2005, SEC.11. Amended by P.L.144-2008, SEC.34.

IC 6-1.1-12-35
Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-12-35.5
Claims for deductions related to coal, hydroelectric, and geothermal; involvement of department of environmental management and center for coal technology research; appeals

Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the

statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification, the department shall determine whether the system or device qualifies for a deduction. If the department fails to make a determination under this subsection before December 31 of the year in which the application is received, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the year in which the personal property return is filed.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter:

(1) the center shall determine whether the building qualifies for a deduction; and

(2) if the center fails to make a determination before December 31 of the year in which the application is received, the building is considered certified.

As added by P.L.198-2001, SEC.36. Amended by P.L.214-2005, SEC.12; P.L.154-2006, SEC.22; P.L.2-2007, SEC.114; P.L.183-2007, SEC.9; P.L.144-2008, SEC.35; P.L.146-2008,

SEC.114; P.L.1-2009, SEC.37; P.L.183-2014, SEC.14.

IC 6-1.1-12-36
Deductions; eligibility for following year

Sec. 36. (a) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who remains eligible for the deduction for the following year is not required to file a statement to apply for the deduction for the following year.

(b) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who becomes ineligible for the deduction for the following year shall notify the auditor of the county in which the real property or mobile home for which the person received the deduction is located of the person's ineligibility before March 31 of the year for which the person becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter to each person who received the deduction in the preceding year unless the auditor determines that the person is no longer eligible for the deduction.

As added by P.L.43-1984, SEC.4. Amended by P.L.41-1992, SEC.2; P.L.10-1997, SEC.12; P.L.214-2005, SEC.13.

IC 6-1.1-12-37 Version a
Standard deduction for homesteads; amount; statement to apply for deduction; notice to county auditor of ineligibility for deduction; limitations on deduction; homestead property data base

Note: This version of section effective until 7-1-2014. See also following version of this section, effective 7-1-2014.

Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.

(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence:

(A) that is located in Indiana;

(B) that:

(i) the individual owns;

(ii) the individual is buying under a contract; recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence;

(iii) the individual is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a

cooperative housing corporation (as defined in 26 U.S.C. 216); or

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust if the individual is an individual described in section 17.9 of this chapter; and

(C) that consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), the term does not include property owned by a corporation, partnership, limited liability company, or other entity not described in this subdivision.

(b) Each year a homestead is eligible for a standard deduction from the assessed value of the homestead for an assessment date. Except as provided in subsection (p), the deduction provided by this section applies to property taxes first due and payable for an assessment date only if an individual has an interest in the homestead described in subsection (a)(2)(B) on:

(1) the assessment date; or

(2) any date in the same year after an assessment date that a statement is filed under subsection (e) or section 44 of this chapter, if the property consists of real property.

Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or

(2) forty-five thousand dollars ($45,000).

(d) A person 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 with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

(1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;

(2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;

(3) the names of:

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

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

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

if the applicant is an individual; or

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

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

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

if the applicant is not an individual; and

(4) either:

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

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

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

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

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

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve

(12) months before March 31 of the year for which the person desires to obtain the deduction.

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

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

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

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

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

the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection 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 subsection plus a civil penalty equal to ten percent (10%) of the additional taxes due. The civil penalty imposed under this subsection 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 subsection shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under subsection (i) and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article.

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

(h) This subsection does not apply to property in the first year for which a deduction is claimed under this section if the sole reason that a deduction is claimed on other property is that the individual or married couple maintained a principal residence at the other property on March 1 in the same year in which an application for a deduction is filed under this section or, if the application is for a homestead that is assessed as personal property, on March 1 in the immediately preceding year and the individual or married couple is moving the individual's or married couple's principal residence to the property that is the subject of the application. Except as provided in subsection (n), the county auditor may not grant an individual or a married couple a deduction under this section if:

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

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

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

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

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

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

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

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

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

(1) imposed for an assessment date in 2009; and

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For assessment dates after 2009, the term "homestead" includes:

(1) a deck or patio;

(2) a gazebo; or

(3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) A county auditor shall grant an individual a deduction under this section regardless of whether the individual and the individual's spouse claim a deduction on two (2) different applications and each application claims a deduction for different property if the property owned by the individual's spouse is located outside Indiana and the individual files an affidavit with the county auditor containing the following information:

(1) The names of the county and state in which the individual's spouse claims a deduction substantially similar to the deduction allowed by this section.

(2) A statement made under penalty of perjury that the following are true:

(A) That the individual and the individual's spouse maintain separate principal places of residence.

(B) That neither the individual nor the individual's spouse has an ownership interest in the other's principal place of residence.

(C) That neither the individual nor the individual's spouse has, for that same year, claimed a standard or substantially similar deduction for any property other than the property maintained as a principal place of residence by the respective individuals.

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

(o) If:

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

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction;

the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

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

(1) either:

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

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

(2) on the assessment date:

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

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

(3) either:

(A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; or

(B) a sales disclosure form that meets the requirements of section 44 of this chapter is submitted to the county assessor on or before December 31 of the calendar year for the individual's purchase of the homestead; and

(4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that:

(A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and

(B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) is entitled to the deduction under this section for the homestead for the assessment date, even if on the assessment date the property on which the homestead is currently located was vacant land or the construction of the dwelling that constitutes the homestead was not completed. The county auditor shall apply the deduction for the assessment date and for the assessment date in any later year in which the homestead remains eligible for the deduction. A homestead that qualifies for the deduction under this section as provided in this subsection is considered a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6. The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.

(q) This subsection applies to an application for the deduction provided by this section that is filed for an assessment date occurring

after December 31, 2013. Notwithstanding any other provision of this section, an individual buying a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property under a contract providing that the individual is to pay the property taxes on the mobile home or manufactured home is not entitled to the deduction provided by this section unless the parties to the contract comply with IC 9-17-6-17.

(r) This subsection:

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

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

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

As added by P.L.332-1989(ss), SEC.10. Amended by P.L.240-1991(ss2), SEC.47; P.L.6-1997, SEC.57; P.L.291-2001, SEC.142; P.L.192-2002(ss), SEC.32; P.L.162-2006, SEC.1; P.L.224-2007, SEC.3; P.L.146-2008, SEC.115; P.L.1-2009, SEC.38; P.L.87-2009, SEC.3; P.L.182-2009(ss), SEC.110; P.L.113-2010, SEC.27; P.L.172-2011, SEC.28; P.L.137-2012, SEC.17; P.L.288-2013, SEC.3; P.L.203-2013, SEC.4; P.L.2-2014, SEC.19.

IC 6-1.1-12-37 Version b

Standard deduction for homesteads; amount; statement to apply for deduction; notice to county auditor of ineligibility for deduction; limitations on deduction; homestead property data base

Note: This version of section effective 7-1-2014. See also preceding version of this section, effective until 7-1-2014.

Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.

(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence:

(A) that is located in Indiana;

(B) that:

(i) the individual owns;

(ii) the individual is buying under a contract; recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence;

(iii) the individual is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C.

216); or

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust if the individual is an individual described in section 17.9 of this chapter; and

(C) that consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), the term does not include property owned by a corporation, partnership, limited liability company, or other entity not described in this subdivision.

(b) Each year a homestead is eligible for a standard deduction from the assessed value of the homestead for an assessment date. Except as provided in subsection (p), the deduction provided by this section applies to property taxes first due and payable for an assessment date only if an individual has an interest in the homestead described in subsection (a)(2)(B) on:

(1) the assessment date; or

(2) any date in the same year after an assessment date that a statement is filed under subsection (e) or section 44 of this chapter, if the property consists of real property.

Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or

(2) forty-five thousand dollars ($45,000).

(d) A person 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 with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

(1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;

(2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;

(3) the names of:

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

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

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

if the applicant is an individual; or

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

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

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

if the applicant is not an individual; and

(4) either:

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

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

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

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

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

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires

to obtain the deduction.

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

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

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

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

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

the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection 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 subsection plus a civil penalty equal to ten percent (10%) of the additional taxes due. The civil penalty imposed under this subsection 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 subsection shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under subsection (i) and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article.

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

(h) This subsection does not apply to property in the first year for which a deduction is claimed under this section if the sole reason that a deduction is claimed on other property is that the individual or married couple maintained a principal residence at the other property on March 1 in the same year in which an application for a deduction is filed under this section or, if the application is for a homestead that is assessed as personal property, on March 1 in the immediately preceding year and the individual or married couple is moving the individual's or married couple's principal residence to the property that is the subject of the application. Except as provided in subsection (n), the county auditor may not grant an individual or a married couple a deduction under this section if:

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

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

(i) The department of local government finance shall provide

secure access to county auditors to a homestead property data base that includes access to the homestead owner's name and the numbers required from the homestead owner under subsection (e)(4) for the sole purpose of verifying whether an owner is wrongly claiming a deduction under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or IC 6-3.5.

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

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

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

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

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

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

(1) imposed for an assessment date in 2009; and

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For assessment dates after 2009, the term "homestead" includes:

(1) a deck or patio;

(2) a gazebo; or

(3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) A county auditor shall grant an individual a deduction under this section regardless of whether the individual and the individual's spouse claim a deduction on two (2) different applications and each application claims a deduction for different property if the property owned by the individual's spouse is located outside Indiana and the individual files an affidavit with the county auditor containing the following information:

(1) The names of the county and state in which the individual's spouse claims a deduction substantially similar to the deduction allowed by this section.

(2) A statement made under penalty of perjury that the following are true:

(A) That the individual and the individual's spouse maintain separate principal places of residence.

(B) That neither the individual nor the individual's spouse has an ownership interest in the other's principal place of residence.

(C) That neither the individual nor the individual's spouse has, for that same year, claimed a standard or substantially similar deduction for any property other than the property maintained as a principal place of residence by the respective individuals.

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

(o) If:

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

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction;

the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

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

(1) either:

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

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

(2) on the assessment date:

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

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

(3) either:

(A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; or

(B) a sales disclosure form that meets the requirements of section 44 of this chapter is submitted to the county assessor on or before December 31 of the calendar year for the individual's purchase of the homestead; and

(4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that:

(A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and

(B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) is entitled to the deduction under this section for the homestead for the assessment date, even if on the assessment date the property on which the homestead is currently located was vacant land or the construction of the dwelling that constitutes the homestead was not completed. The county auditor shall apply the deduction for the assessment date and for the assessment date in any later year in which the homestead remains eligible for the deduction. A homestead that qualifies for the deduction under this section as provided in this subsection is considered a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6. The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.

(q) This subsection applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013. Notwithstanding any other provision of this

section, an individual buying a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property under a contract providing that the individual is to pay the property taxes on the mobile home or manufactured home is not entitled to the deduction provided by this section unless the parties to the contract comply with IC 9-17-6-17.

(r) This subsection:

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

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

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

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

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

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

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

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

As added by P.L.332-1989(ss), SEC.10. Amended by P.L.240-1991(ss2), SEC.47; P.L.6-1997, SEC.57; P.L.291-2001, SEC.142; P.L.192-2002(ss), SEC.32; P.L.162-2006, SEC.1; P.L.224-2007, SEC.3; P.L.146-2008, SEC.115; P.L.1-2009, SEC.38; P.L.87-2009, SEC.3; P.L.182-2009(ss), SEC.110; P.L.113-2010, SEC.27; P.L.172-2011, SEC.28; P.L.137-2012, SEC.17; P.L.288-2013, SEC.3; P.L.203-2013, SEC.4; P.L.2-2014, SEC.19; P.L.166-2014, SEC.2.

IC 6-1.1-12-37.5
Supplemental deduction for homesteads

Sec. 37.5. (a) A person who is entitled to a standard deduction from the assessed value of property under section 37 of this chapter is also entitled to receive a supplemental deduction from the assessed value of the homestead to which the standard deduction applies after the application of the standard deduction but before the application of any other deduction, exemption, or credit for which the person is eligible.

(b) The amount of the deduction under this section is equal to the sum of the following:

(1) Thirty-five percent (35%) of the assessed value determined under subsection (a) that is not more than six hundred thousand dollars ($600,000).

(2) Twenty-five percent (25%) of the assessed value determined under subsection (a) that is more than six hundred thousand dollars ($600,000).

(c) The auditor of the county shall record and make the deduction for the person qualifying for the deduction.

(d) The deduction granted under this section shall not be considered in applying section 40.5 of this chapter to the deductions applicable to property. Section 40.5 of this chapter does not apply to the deduction granted under this section.

As added by P.L.146-2008, SEC.116.

IC 6-1.1-12-38
Deduction for improvements to comply with fertilizer storage rules; prerequisites for filing limitations

Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52; minus

(2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-16-2-44 and the pesticide storage rules adopted by the state chemist under IC 15-16-4-52. Subject to section 45 of this chapter, the statement must be completed

and dated in the calendar year for which the person wishes to obtain the deduction, and the statement and certification must be filed with the county auditor on or before January 5 of the immediately succeeding calendar year. Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(c) The deduction provided by this section applies only if the person:

(1) owns the property; or

(2) is buying the property under contract;

on the assessment date for which the deduction applies.

As added by P.L.41-1992, SEC.3. Amended by P.L.90-2002, SEC.117; P.L.154-2006, SEC.23; P.L.144-2008, SEC.36; P.L.2-2008, SEC.22; P.L.146-2008, SEC.117; P.L.1-2009, SEC.39; P.L.183-2014, SEC.15.

IC 6-1.1-12-39

Person not qualified for exemption purchasing exempt property under contract for sale; entitlement to deduction

Sec. 39. (a) A person who is:

(1) purchasing property under a contract that does not require the buyer to pay property taxes on the property; and

(2) required to pay property taxes under IC 6-1.1-10-41;

is eligible for a deduction granted by this chapter to the same extent as a person who is buying property under a contract that provides the contract buyer is to pay property taxes on the property.

(b) To obtain the deduction, with the application the applicant must provide:

(1) the same information concerning the contract that is required for contracts that require the buyer to pay property taxes; and

(2) information that indicates that IC 6-1.1-10-41 applies to the property.

As added by P.L.31-1994, SEC.2.

IC 6-1.1-12-40

Deductions for real property located in enterprise zones

Sec. 40. (a) This section applies only to real property that is located in an enterprise zone established in a county containing a consolidated city.

(b) The owner of real property described in subsection (a) is entitled to a deduction under this section if:

(1) an obsolescence depreciation adjustment for either functional obsolescence or economic obsolescence was allowed for the property for property taxes assessed in the year preceding the year in which the owner purchased the property;

(2) the property owner submits an application requesting the deduction to the fiscal body of the county in which the property is located; and

(3) the fiscal body of the county approves the deduction.

(c) If a county fiscal body approves a deduction under this section, it must notify the county auditor of the approval of the deduction.

(d) A deduction may be claimed under this section for not more than four (4) years. The amount of the deduction under this section equals:

(1) the amount of the obsolescence depreciation adjustment for either functional obsolescence or economic obsolescence that was allowed for the property for property taxes assessed in the year preceding the year in which the owner purchased the property; multiplied by

(2) the following percentages:

(A) One hundred percent (100%), for property taxes assessed in the year in which the owner purchased the property.

(B) Seventy-five percent (75%), for property taxes assessed in the year after the year in which the owner purchased the property.

(C) Fifty percent (50%), for property taxes assessed in the second year after the year in which the owner purchased the property.

(D) Twenty-five percent (25%), for property taxes assessed in the third year after the year in which the owner purchased the property.

As added by P.L.198-2001, SEC.37.

IC 6-1.1-12-40.5

Limits on deductions for mobile or manufactured homes

Sec. 40.5. Notwithstanding any other provision, the sum of the deductions provided under this chapter to a mobile home that is not assessed as real property or to a manufactured home that is not assessed as real property may not exceed one-half (1/2) of the assessed value of the mobile home or manufactured home.

As added by P.L.291-2001, SEC.143.

IC 6-1.1-12-41

Optional countywide property tax exemption for inventory; adoption of ordinance

Sec. 41. (a) This section does not apply to assessment years beginning after December 31, 2005.

(b) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction allowed under subsection (f).

(c) As used in this section, "county income tax council" means a council established by IC 6-3.5-6-2.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11 (repealed).

(f) An ordinance may be adopted in a county to provide that a

deduction applies to the assessed value of inventory located in the county. The deduction is equal to one hundred percent (100%) of the assessed value of inventory located in the county for the appropriate year of assessment. An ordinance adopted under this section in a particular year applies:

(1) if adopted before March 31, 2004, to each subsequent assessment year ending before January 1, 2006; and

(2) if adopted after March 30, 2004, and before June 1, 2005, to the March 1, 2005, assessment date.

An ordinance adopted under this section may be consolidated with an ordinance adopted under IC 6-3.5-7-26. The consolidation of an ordinance adopted under this section with an ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

(g) An ordinance may not be adopted under subsection (f) after May 30, 2005. However, an ordinance adopted under this section:

(1) before March 31, 2004, may be amended after March 30, 2004; and

(2) before June 1, 2005, may be amended after May 30, 2005;

to consolidate an ordinance adopted under IC 6-3.5-7-26.

(h) The entity that may adopt the ordinance permitted under subsection (f) is:

(1) the county income tax council if the county option income tax is in effect on January 1 of the year in which an ordinance under this section is adopted;

(2) the county fiscal body if the county adjusted gross income tax is in effect on January 1 of the year in which an ordinance under this section is adopted; or

(3) the county income tax council or the county fiscal body, whichever acts first, for a county not covered by subdivision (1) or (2).

To adopt an ordinance under subsection (f), a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax. The entity that adopts the ordinance shall provide a certified copy of the ordinance to the department of local government finance before February 1.

(i) A taxpayer is not required to file an application to qualify for the deduction permitted under subsection (f).

(j) The department of local government finance shall incorporate the deduction established in this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township assessor, or the county assessor if there is no township assessor for the township, shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(k) The deduction established in this section must be applied to

any inventory assessment made by:

(1) an assessing official;

(2) a county property tax board of appeals; or

(3) the department of local government finance.

As added by P.L.192-2002(ss), SEC.33. Amended by P.L.199-2005, SEC.5; P.L.146-2008, SEC.118; P.L.137-2012, SEC.18.

IC 6-1.1-12-42

Statewide property tax deduction for inventory

Sec. 42. (a) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction established in subsection (c).

(b) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11 (repealed).

(c) A taxpayer is entitled to a deduction from assessed value equal to one hundred percent (100%) of the taxpayer's assessed value of inventory for assessments made in 2006 for property taxes first due and payable in 2007.

(d) A taxpayer is not required to file an application to qualify for the deduction established by this section.

(e) The department of local government finance shall incorporate the deduction established by this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township assessor, or the county assessor if there is no township assessor for the township, shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(f) The deduction established by this section must be applied to any inventory assessment made by:

(1) an assessing official;

(2) a county property tax assessment board of appeals; or

(3) the department of local government finance.

As added by P.L.192-2002(ss), SEC.34. Amended by P.L.146-2008, SEC.119.

IC 6-1.1-12-43

Residential mortgage transactions; closing agent's duty to provide forms and input information; compliance; civil penalty; immunity

Sec. 43. (a) For purposes of this section:

(1) "benefit" refers to a deduction under section 1, 9, 11, 13, 14, 16, 17.4, 26, 29, 31, 33, 34, 37, or 37.5 of this chapter;

(2) "closing agent" means a person that closes a transaction;

(3) "customer" means an individual who obtains a loan in a transaction; and

(4) "transaction" means a single family residential:

(A) first lien purchase money mortgage transaction; or

(B) refinancing transaction.

(b) Before closing a transaction after December 31, 2004, a closing agent must provide to the customer the form referred to in subsection (c).

(c) Before June 1, 2004, the department of local government finance shall prescribe the form to be provided by closing agents to customers under subsection (b). The department shall make the form available to closing agents, county assessors, county auditors, and county treasurers in hard copy and electronic form. County assessors, county auditors, and county treasurers shall make the form available to the general public. The form must:

(1) on one (1) side:

(A) list each benefit;

(B) list the eligibility criteria for each benefit; and

(C) indicate that a new application for a deduction under section 1 of this chapter is required when residential real property is refinanced;

(2) on the other side indicate:

(A) each action by and each type of documentation from the customer required to file for each benefit; and

(B) sufficient instructions and information to permit a party to terminate a standard deduction under section 37 of this chapter on any property on which the party or the spouse of the party will no longer be eligible for the standard deduction under section 37 of this chapter after the party or the party's spouse begins to reside at the property that is the subject of the closing, including an explanation of the tax consequences and applicable penalties, if a party unlawfully claims a standard deduction under section 37 of this chapter; and

(3) be printed in one (1) of two (2) or more colors prescribed by the department of local government finance that distinguish the form from other documents typically used in a closing referred to in subsection (b).

(d) A closing agent:

(1) may reproduce the form referred to in subsection (c);

(2) in reproducing the form, must use a print color prescribed by the department of local government finance; and

(3) is not responsible for the content of the form referred to in subsection (c) and shall be held harmless by the department of local government finance from any liability for the content of the form.

(e) This subsection applies to a transaction that is closed after December 31, 2009. In addition to providing the customer the form described in subsection (c) before closing the transaction, a closing agent shall do the following as soon as possible after the closing, and within the time prescribed by the department of insurance under IC 27-7-3-15.5:

(1) To the extent determinable, input the information described

in IC 27-7-3-15.5(c)(2) into the system maintained by the department of insurance under IC 27-7-3-15.5.

(2) Submit the form described in IC 27-7-3-15.5(c) to the data base described in IC 27-7-3-15.5(c)(2)(D).

(f) A closing agent to which this section applies shall document the closing agent's compliance with this section with respect to each transaction in the form of verification of compliance signed by the customer.

(g) Subject to IC 27-7-3-15.5(d), a closing agent is subject to a civil penalty of twenty-five dollars ($25) for each instance in which the closing agent fails to comply with this section with respect to a customer. The penalty:

(1) may be enforced by the state agency that has administrative jurisdiction over the closing agent in the same manner that the agency enforces the payment of fees or other penalties payable to the agency; and

(2) shall be paid into:

(A) the state general fund, if the closing agent fails to comply with subsection (b); or

(B) the home ownership education account established by IC 5-20-1-27, if the closing agent fails to comply with subsection (e) in a transaction that is closed after December 31, 2009.

(h) A closing agent is not liable for any other damages claimed by a customer because of:

(1) the closing agent's mere failure to provide the appropriate document to the customer under subsection (b); or

(2) with respect to a transaction that is closed after December 31, 2009, the closing agent's failure to input the information or submit the form described in subsection (e).

(i) The state agency that has administrative jurisdiction over a closing agent shall:

(1) examine the closing agent to determine compliance with this section; and

(2) impose and collect penalties under subsection (g).

As added by P.L.64-2004, SEC.3. Amended by P.L.145-2008, SEC.9; P.L.146-2008, SEC.120; P.L.87-2009, SEC.4.

IC 6-1.1-12-44

Sales disclosure form serves as application for certain deductions; limitations

Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead (as defined in section 37 of this chapter) assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing

with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser;

constitutes an application for the deductions provided by sections 26, 29, 33, 34, and 37 of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives in a calendar year a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.

As added by P.L.144-2008, SEC.37. Amended by P.L.1-2009, SEC.40; P.L.75-2009, SEC.3; P.L.87-2009, SEC.5.

IC 6-1.1-12-45

Automatic one year carryover of deductions; limitations; specification of year for which deduction claim applies

Sec. 45. (a) Subject to subsections (b) and (c), a deduction under this chapter applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

(1) the title is conveyed one (1) or more times; or

(2) one (1) or more contracts to purchase are entered into;

after that assessment date and on or before the next succeeding assessment date.

(b) Subsection (a) applies regardless of whether:

(1) one (1) or more grantees of title under subsection (a)(1); or

(2) one (1) or more contract purchasers under subsection (a)(2);

file a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a deduction under this chapter apply to subsequent years.

(d) If:

(1) a statement is filed under this chapter on or before January 5 of a calendar year to claim a deduction under this chapter with respect to real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in the preceding calendar year and for the property taxes due and payable based on the assessment for that assessment date.

(e) If:

(1) a statement is filed under this chapter in a twelve (12) month filing period designated under this chapter to claim a deduction under this chapter with respect to a mobile home or a manufactured home not assessed as real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date.

As added by P.L.144-2008, SEC.38. Amended by P.L.183-2014, SEC.16.

IC 6-1.1-12-46

Eligibility of transferred property for certain deductions

Sec. 46. (a) This section applies to real property for an assessment date in 2011 or a later year if:

(1) the real property is not exempt from property taxation for the assessment date;

(2) title to the real property is transferred after the assessment date and on or before the December 31 that next succeeds the assessment date;

(3) the transferee of the real property applies for an exemption under IC 6-1.1-11 for the next succeeding assessment date; and

(4) the county property tax assessment board of appeals determines that the real property is exempt from property taxation for that next succeeding assessment date.

(b) For the assessment date referred to in subsection (a)(1), real property is eligible for any deductions for which the transferor under subsection (a)(2) was eligible for that assessment date under the following:

(1) IC 6-1.1-12-1.

(2) IC 6-1.1-12-9.

(3) IC 6-1.1-12-11.

(4) IC 6-1.1-12-13.

(5) IC 6-1.1-12-14.

(6) IC 6-1.1-12-16.

(7) IC 6-1.1-12-17.4.

(8) IC 6-1.1-12-18.

(9) IC 6-1.1-12-22.

(10) IC 6-1.1-12-37.

(11) IC 6-1.1-12-37.5.

(c) For the payment date applicable to the assessment date referred to in subsection (a)(1), real property is eligible for the credit for excessive residential property taxes under IC 6-1.1-20.6 for which the transferor under subsection (a)(2) would be eligible for that payment date if the transfer had not occurred.

As added by P.L.172-2011, SEC.29.

IC 6-1.1-12.1

Chapter 12.1. Deduction for Rehabilitation or Redevelopment of Real Property in Economic Revitalization Areas

IC 6-1.1-12.1-0.3

Legalization of designation of economic revitalization area before February 1, 1991

Sec. 0.3. Notwithstanding any other law, a designating body's actions taken before February 1, 1991, in retroactively designating an economic revitalization area are legalized and validated.

As added by P.L.220-2011, SEC.121.

IC 6-1.1-12.1-1

Definitions

Sec. 1. For purposes of this chapter:

(1) "Economic revitalization area" means an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes:

(A) any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and

(B) a residentially distressed area, except as otherwise provided in this chapter.

(2) "City" means any city in this state, and "town" means any town incorporated under IC 36-5-1.

(3) "New manufacturing equipment" means tangible personal property that a deduction applicant:

(A) installs on or before the approval deadline determined under section 9 of this chapter, in an area that is declared an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) uses in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property, including but not limited to use to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products;

(C) acquires for use as described in clause (B):

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or

(ii) in any manner, if the tangible personal property has

never been previously used in Indiana before the installation described in clause (A); and

(D) has never used for any purpose in Indiana before the installation described in clause (A).

(4) "Property" means a building or structure, but does not include land.

(5) "Redevelopment" means the construction of new structures, in economic revitalization areas, either:

(A) on unimproved real estate; or

(B) on real estate upon which a prior existing structure is demolished to allow for a new construction.

(6) "Rehabilitation" means the remodeling, repair, or betterment of property in any manner or any enlargement or extension of property.

(7) "Designating body" means the following:

(A) For a county that does not contain a consolidated city, the fiscal body of the county, city, or town.

(B) For a county containing a consolidated city, the metropolitan development commission.

(8) "Deduction application" means:

(A) the application filed in accordance with section 5 of this chapter by a property owner who desires to obtain the deduction provided by section 3 of this chapter;

(B) the application filed in accordance with section 5.4 of this chapter by a person who desires to obtain the deduction provided by section 4.5 of this chapter; or

(C) the application filed in accordance with section 5.3 of this chapter by a property owner that desires to obtain the deduction provided by section 4.8 of this chapter.

(9) "Designation application" means an application that is filed with a designating body to assist that body in making a determination about whether a particular area should be designated as an economic revitalization area.

(10) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a). The term includes waste determined to be a hazardous waste under IC 13-22-2-3(b).

(11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a). However, the term does not include dead animals or any animal solid or semisolid wastes.

(12) "New research and development equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) laboratory equipment;

(ii) research and development equipment;

(iii) computers and computer software;

(iv) telecommunications equipment; or

(v) testing equipment;

(C) the deduction applicant uses in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products;

(D) the deduction applicant acquires for purposes described in this subdivision:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(E) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

The term does not include equipment installed in facilities used for or in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising or promotion, or research in connection with literacy, history, or similar projects.

(13) "New logistical distribution equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) racking equipment;

(ii) scanning or coding equipment;

(iii) separators;

(iv) conveyors;

(v) fork lifts or lifting equipment (including "walk behinds");

(vi) transitional moving equipment;

(vii) packaging equipment;

(viii) sorting and picking equipment; or

(ix) software for technology used in logistical distribution;

(C) the deduction applicant acquires for the storage or distribution of goods, services, or information:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); and

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(D) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

(14) "New information technology equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of equipment, including software, used in the fields of:

(i) information processing;

(ii) office automation;

(iii) telecommunication facilities and networks;

(iv) informatics;

(v) network administration;

(vi) software development; and

(vii) fiber optics;

(C) the deduction applicant acquires in an arms length transaction from an entity that is not an affiliate of the deduction applicant; and

(D) the deduction applicant never used for any purpose in Indiana before the installation described in clause (A).

(15) "Deduction applicant" means an owner of tangible personal property who makes a deduction application.

(16) "Affiliate" means an entity that effectively controls or is controlled by a deduction applicant or is associated with a deduction applicant under common ownership or control, whether by shareholdings or other means.

(17) "Eligible vacant building" means a building that:

(A) is zoned for commercial or industrial purposes; and

(B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

As added by Acts 1977, P.L.69, SEC.1. Amended by Acts 1979, P.L.56, SEC.5; Acts 1980, P.L.42, SEC.1; Acts 1981, P.L.72, SEC.1; P.L.71-1983, SEC.1; P.L.56-1988, SEC.1; P.L.47-1990, SEC.2; P.L.42-1992, SEC.1; P.L.18-1992, SEC.21; P.L.25-1995, SEC.17; P.L.1-1996, SEC.39; P.L.4-2000, SEC.1; P.L.64-2004, SEC.4 and P.L.81-2004, SEC.48; P.L.216-2005, SEC.1; P.L.154-2006, SEC.24; P.L.219-2007, SEC.28; P.L.224-2007, SEC.4; P.L.288-2013, SEC.4.

IC 6-1.1-12.1-2

Findings by designating body; economic revitalization area; residentially distressed area; conditions; property tax deductions; fees

Sec. 2. (a) A designating body may find that a particular area within its jurisdiction is an economic revitalization area. However, the deduction provided by this chapter for economic revitalization areas not within a city or town shall not be available to retail

businesses.

(b) In a county containing a consolidated city or within a city or town, a designating body may find that a particular area within its jurisdiction is a residentially distressed area. Designation of an area as a residentially distressed area has the same effect as designating an area as an economic revitalization area, except that the amount of the deduction shall be calculated as specified in section 4.1 of this chapter and the deduction is allowed for not more than the number of years specified by the designating body under section 17 of this chapter. In order to declare a particular area a residentially distressed area, the designating body must follow the same procedure that is required to designate an area as an economic revitalization area and must make all the following additional findings or all the additional findings described in subsection (c):

(1) The area is comprised of parcels that are either unimproved or contain only one (1) or two (2) family dwellings or multifamily dwellings designed for up to four (4) families, including accessory buildings for those dwellings.

(2) Any dwellings in the area are not permanently occupied and are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) Parcels of property in the area:

(A) have been sold and not redeemed under IC 6-1.1-24 and IC 6-1.1-25; or

(B) are owned by a unit of local government.

However, in a city in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the designating body is only required to make one (1) of the additional findings described in this subsection or one (1) of the additional findings described in subsection (c).

(c) In a county containing a consolidated city or within a city or town, a designating body that wishes to designate a particular area a residentially distressed area may make the following additional findings as an alternative to the additional findings described in subsection (b):

(1) A significant number of dwelling units within the area are not permanently occupied or a significant number of parcels in the area are vacant land.

(2) A significant number of dwelling units within the area are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) The area has experienced a net loss in the number of dwelling units, as documented by census information, local building and demolition permits, or certificates of occupancy, or the area is owned by Indiana or the United States.

(4) The area (plus any areas previously designated under this subsection) will not exceed ten percent (10%) of the total area within the designating body's jurisdiction.

However, in a city in a county having a population of more than two

hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the designating body is only required to make one (1) of the additional findings described in this subsection as an alternative to one (1) of the additional findings described in subsection (b).

(d) A designating body is required to attach the following conditions to the grant of a residentially distressed area designation:

(1) The deduction will not be allowed unless the dwelling is rehabilitated to meet local code standards for habitability.

(2) If a designation application is filed, the designating body may require that the redevelopment or rehabilitation be completed within a reasonable period of time.

(e) To make a designation described in subsection (a) or (b), the designating body shall use procedures prescribed in section 2.5 of this chapter.

(f) The property tax deductions provided by section 3, 4.5, or 4.8 of this chapter are only available within an area which the designating body finds to be an economic revitalization area.

(g) The designating body may adopt a resolution establishing general standards to be used, along with the requirements set forth in the definition of economic revitalization area, by the designating body in finding an area to be an economic revitalization area. The standards must have a reasonable relationship to the development objectives of the area in which the designating body has jurisdiction. The following four (4) sets of standards may be established:

(1) One (1) relative to the deduction under section 3 of this chapter for economic revitalization areas that are not residentially distressed areas.

(2) One (1) relative to the deduction under section 3 of this chapter for residentially distressed areas.

(3) One (1) relative to the deduction allowed under section 4.5 of this chapter.

(4) One (1) relative to the deduction allowed under section 4.8 of this chapter.

(h) A designating body may impose a fee for filing a designation application for a person requesting the designation of a particular area as an economic revitalization area. The fee may be sufficient to defray actual processing and administrative costs. However, the fee charged for filing a designation application for a parcel that contains one (1) or more owner-occupied, single-family dwellings may not exceed the cost of publishing the required notice.

(i) In declaring an area an economic revitalization area, the designating body may:

(1) limit the time period to a certain number of calendar years during which the economic revitalization area shall be so designated;

(2) limit the type of deductions that will be allowed within the economic revitalization area to the deduction allowed under section 3 of this chapter, the deduction allowed under section 4.5 of this chapter, the deduction allowed under section 4.8 of

this chapter, or any combination of these deductions;

(3) limit the dollar amount of the deduction that will be allowed with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and new information technology equipment;

(4) limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as economic revitalization areas;

(5) limit the dollar amount of the deduction that will be allowed under section 4.8 of this chapter with respect to the occupation of an eligible vacant building; or

(6) impose reasonable conditions related to the purpose of this chapter or to the general standards adopted under subsection (g) for allowing the deduction for the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

To exercise one (1) or more of these powers, a designating body must include this fact in the resolution passed under section 2.5 of this chapter.

(j) Notwithstanding any other provision of this chapter, if a designating body limits the time period during which an area is an economic revitalization area, that limitation does not:

(1) prevent a taxpayer from obtaining a deduction for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment installed on or before the approval deadline determined under section 9 of this chapter, but after the expiration of the economic revitalization area if the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment was described in a statement of benefits submitted to and approved by the designating body in accordance with section 4.5 of this chapter before the expiration of the economic revitalization area designation; or

(2) limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under section 17 of this chapter.

(k) In addition to the other requirements of this chapter, if property located in an economic revitalization area is also located in an allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), a taxpayer's statement of benefits concerning that property may not be approved under this chapter unless a resolution approving the statement of benefits is adopted by the legislative body of the unit that approved the designation of the allocation area.

As added by Acts 1977, P.L.69, SEC.1. Amended by Acts 1979, P.L.56, SEC.6; Acts 1980, P.L.42, SEC.2; Acts 1981, P.L.310, SEC.91; P.L.72-1983, SEC.1; P.L.71-1983, SEC.2; P.L.82-1987, SEC.1; P.L.56-1988, SEC.2; P.L.3-1989, SEC.33; P.L.42-1992,

SEC.2; P.L.65-1993, SEC.1; P.L.31-1994, SEC.3; P.L.85-1995, SEC.1; P.L.255-1997(ss), SEC.5; P.L.4-2000, SEC.2; P.L.64-2004, SEC.5 and P.L.81-2004, SEC.49; P.L.216-2005, SEC.2; P.L.154-2006, SEC.25; P.L.146-2008, SEC.121; P.L.119-2012, SEC.18; P.L.288-2013, SEC.5.

IC 6-1.1-12.1-2.3
Repealed

(Repealed by P.L.216-2005, SEC.9.)

IC 6-1.1-12.1-2.5
Economic revitalization area; maps; boundaries; resolution; notice; determination; appeal

Sec. 2.5. (a) If a designating body finds that an area in its jurisdiction is an economic revitalization area, it shall either:

(1) prepare maps and plats that identify the area; or

(2) prepare a simplified description of the boundaries of the area by describing its location in relation to public ways, streams, or otherwise.

(b) After the compilation of the materials described in subsection (a), the designating body shall pass a resolution declaring the area an economic revitalization area. The resolution must contain a description of the affected area and be filed with the county assessor. A resolution may include a determination of the number of years a deduction under section 3, 4.5, or 4.8 of this chapter is allowed.

(c) After approval of a resolution under subsection (b), the designating body shall do the following:

(1) Publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1.

(2) File the following information with each taxing unit that has authority to levy property taxes in the geographic area where the economic revitalization area is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement containing substantially the same information as a statement of benefits filed with the designating body before the hearing required by this section under section 3, 4.5, or 4.8 of this chapter.

The notice must state that a description of the affected area is available and can be inspected in the county assessor's office. The notice must also name a date when the designating body will receive and hear all remonstrances and objections from interested persons. The designating body shall file the information required by subdivision (2) with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing. After considering the evidence, the designating body shall take final action determining whether the qualifications for an economic revitalization area have been met and confirming, modifying and confirming, or rescinding the resolution. This determination is final except that an appeal may be taken and heard

as provided under subsections (d) and (e).

(d) A person who filed a written remonstrance with the designating body under this section and who is aggrieved by the final action taken may, within ten (10) days after that final action, initiate an appeal of that action by filing in the office of the clerk of the circuit or superior court a copy of the order of the designating body and the person's remonstrance against that order, together with the person's bond conditioned to pay the costs of the person's appeal if the appeal is determined against the person. The only ground of appeal that the court may hear is whether the proposed project will meet the qualifications of the economic revitalization area law. The burden of proof is on the appellant.

(e) An appeal under this section shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal, and may confirm the final action of the designating body or sustain the appeal. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

As added by P.L.71-1983, SEC.3. Amended by P.L.62-1986, SEC.1; P.L.56-1988, SEC.3; P.L.3-1989, SEC.34; P.L.56-1991, SEC.1; P.L.25-1995, SEC.18; P.L.4-2000, SEC.3; P.L.154-2006, SEC.26; P.L.288-2013, SEC.6.

IC 6-1.1-12.1-3

Statement of benefits; form; findings; period of deduction; resolution; excluded facilities

Sec. 3. (a) An applicant must provide a statement of benefits to the designating body. If the designating body requires information from the applicant for economic revitalization area status for use in making its decision about whether to designate an economic revitalization area, the applicant shall provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter. Otherwise, the statement of benefits form must be submitted to the designating body before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the proposed redevelopment or rehabilitation.

(2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the redevelopment or rehabilitation and an estimate of the annual salaries of these individuals.

(3) An estimate of the value of the redevelopment or rehabilitation.

With the approval of the designating body, the statement of benefits

may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether a deduction should be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the value of the redevelopment or rehabilitation is reasonable for projects of that nature.

(2) Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(4) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

(5) Whether the totality of benefits is sufficient to justify the deduction.

A designating body may not designate an area an economic revitalization area or approve a deduction unless the findings required by this subsection are made in the affirmative.

(c) Except as provided in subsections (a) through (b), the owner of property which is located in an economic revitalization area is entitled to a deduction from the assessed value of the property. For all economic revitalization areas, the period is the number of years determined under section 17 of this chapter. The owner is entitled to a deduction if:

(1) the property has been rehabilitated; or

(2) the property is located on real estate which has been redeveloped.

The owner is entitled to the deduction for the first year, and any successive year or years, in which an increase in assessed value resulting from the rehabilitation or redevelopment occurs and for the following years determined under section 17 of this chapter.

(d) The designating body's determination must be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution must be sent to the county auditor, who shall make the deduction as provided in section 5 of this chapter.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(e) Except for deductions related to redevelopment or rehabilitation of real property in a county containing a consolidated city, a deduction for the redevelopment or rehabilitation of real property may not be approved for the following facilities:

(1) Private or commercial golf course.

(2) Country club.

(3) Massage parlor.

(4) Tennis club.

(5) Skating facility (including roller skating, skateboarding, or ice skating).

(6) Racquet sport facility (including any handball or racquetball court).

(7) Hot tub facility.

(8) Suntan facility.

(9) Racetrack.

(10) Any facility the primary purpose of which is:

(A) retail food and beverage service;

(B) automobile sales or service; or

(C) other retail;

unless the facility is located in an economic development target area established under section 7 of this chapter.

(11) Residential, unless:

(A) the facility is a multifamily facility that contains at least twenty percent (20%) of the units available for use by low and moderate income individuals;

(B) the facility is located in an economic development target area established under section 7 of this chapter; or

(C) the area is designated as a residentially distressed area.

(12) A package liquor store that holds a liquor dealer's permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1.

As added by Acts 1977, P.L.69, SEC.1. Amended by Acts 1979, P.L.56, SEC.7; P.L.71-1983, SEC.4; P.L.62-1985, SEC.1; P.L.62-1986, SEC.2; P.L.82-1987, SEC.2; P.L.56-1988, SEC.4; P.L.65-1993, SEC.2; P.L.25-1995, SEC.19; P.L.4-2000, SEC.4; P.L.126-2000, SEC.5; P.L.198-2001, SEC.38; P.L.90-2002, SEC.118; P.L.72-2004, SEC.2; P.L.99-2007, SEC.25; P.L.119-2012, SEC.19; P.L.288-2013, SEC.7.

IC 6-1.1-12.1-4

Annual deduction; amount; percentage; period of deduction; effect of reassessment

Sec. 4. (a) Except as provided in section 2(i)(4) of this chapter, and subject to section 15 of this chapter, the amount of the deduction which the property owner is entitled to receive under section 3 of this chapter for a particular year equals the product of:

(1) the increase in the assessed value resulting from the rehabilitation or redevelopment; multiplied by

(2) the percentage determined under section 17 of this chapter.

(b) The amount of the deduction determined under subsection (a)

shall be adjusted in accordance with this subsection in the following circumstances:

(1) If:

(A) a general reassessment of real property under IC 6-1.1-4-4; or

(B) a reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

occurs within the particular period of the deduction, the amount determined under subsection (a)(1) shall be adjusted to reflect the percentage increase or decrease in assessed valuation that resulted from the reassessment.

(2) If an appeal of an assessment is approved that results in a reduction of the assessed value of the redeveloped or rehabilitated property, the amount of any deduction shall be adjusted to reflect the percentage decrease that resulted from the appeal.

The department of local government finance shall adopt rules under IC 4-22-2 to implement this subsection.

As added by Acts 1977, P.L.69, SEC.1. Amended by Acts 1979, P.L.56, SEC.8; Acts 1981, P.L.72, SEC.2; P.L.62-1985, SEC.2; P.L.57-1988, SEC.1; P.L.3-1989, SEC.35; P.L.332-1989(ss), SEC.11; P.L.65-1993, SEC.3; P.L.4-2000, SEC.5; P.L.90-2002, SEC.119; P.L.219-2007, SEC.29; P.L.173-2011, SEC.5; P.L.6-2012, SEC.40; P.L.112-2012, SEC.27; P.L.288-2013, SEC.8.

IC 6-1.1-12.1-4.1

Application of sections; residentially distressed areas; deduction allowed

Sec. 4.1. (a) Section 4 of this chapter applies to economic revitalization areas that are not residentially distressed areas.

(b) This subsection applies to deductions approved before July 1, 2013, for the redevelopment or rehabilitation of property located in economic revitalization areas that are residentially distressed areas. Subject to section 15 of this chapter, the amount of the deduction that a property owner is entitled to receive under section 3 of this chapter for a particular year equals the lesser of:

(1) the assessed value of the improvement to the property after the rehabilitation or redevelopment has occurred; or

(2) the following amount:

TYPE OF DWELLING	AMOUNT
One (1) family dwelling	$74,880
Two (2) family dwelling	$106,080
Three (3) unit multifamily dwelling	$156,000
Four (4) unit multifamily dwelling	$199,680

(c) This subsection applies to deductions approved after June 30, 2013, for the redevelopment or rehabilitation of property located in economic revitalization areas that are residentially distressed areas. Subject to section 15 of this chapter, the amount of the deduction the property owner is entitled to receive under section 3 of this chapter in a residentially distressed area for a particular year equals the

product of:

(1) the increase in the assessed value resulting from the rehabilitation or redevelopment; multiplied by

(2) the percentage determined under section 17 of this chapter.

As added by P.L.56-1988, SEC.5. Amended by P.L.3-1989, SEC.36; P.L.65-1993, SEC.4; P.L.6-1997, SEC.58; P.L.20-2004, SEC.9; P.L.219-2007, SEC.30; P.L.288-2013, SEC.9.

IC 6-1.1-12.1-4.5 Version a

Statement of benefits; findings by designating body; deduction periods, amounts, and limitations

Note: This version of section effective until 7-1-2015. See also following version of this section, effective 7-1-2015.

Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that the person proposes to acquire.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;

an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful

products by the new manufacturing equipment.

The statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether the deduction shall be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is reasonable for equipment of that type.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;

whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.

(5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(6) Whether the totality of benefits is sufficient to justify the deduction.

The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the

findings required by this subsection in the affirmative.

(c) Except as provided in subsection (f), and subject to subsection (g) and section 15 of this chapter, an owner of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment whose statement of benefits is approved is entitled to a deduction from the assessed value of that equipment for the number of years determined by the designating body under section 17 of this chapter. Except as provided in subsection (d) and in section 2(i)(3) of this chapter, and subject to subsection (g) and section 15 of this chapter, the amount of the deduction that an owner is entitled to for a particular year equals the product of:

(1) the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment in the year of deduction under the abatement schedule established under section 17 of this chapter; multiplied by

(2) the percentage prescribed by the designating body under section 17 of this chapter.

(d) With respect to new manufacturing equipment and new research and development equipment installed before March 2, 2001, the deduction under this section is the amount that causes the net assessed value of the property after the application of the deduction under this section to equal the net assessed value after the application of the deduction under this section that results from computing:

(1) the deduction under this section as in effect on March 1, 2001; and

(2) the assessed value of the property under 50 IAC 4.2, as in effect on March 1, 2001, or, in the case of property subject to IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

(e) The designating body shall determine the number of years the deduction is allowed under section 17 of this chapter. However, the deduction may not be allowed for more than ten (10) years. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution shall be sent to the county auditor.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(f) The owner of new manufacturing equipment that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of a criminal violation under IC 13, including IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

(2) is subject to an order or a consent decree with respect to property located in Indiana based on a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(g) For purposes of subsection (c), the assessed value of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that is part of an owner's assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided by

(B) the total true tax value of all of the owner's depreciable personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

As added by Acts 1981, P.L.72, SEC.3. Amended by P.L.71-1983, SEC.5; P.L.82-1987, SEC.3; P.L.56-1988, SEC.6; P.L.3-1989, SEC.37; P.L.56-1991, SEC.2; P.L.42-1992, SEC.3; P.L.65-1993, SEC.5; P.L.25-1995, SEC.20; P.L.1-1996, SEC.40; P.L.4-2000, SEC.6; P.L.178-2002, SEC.17; P.L.90-2002, SEC.120; P.L.1-2003, SEC.22; P.L.245-2003, SEC.8; P.L.256-2003, SEC.3; P.L.97-2004, SEC.20; P.L.64-2004, SEC.7 and P.L.81-2004, SEC.51; P.L.154-2006, SEC.27; P.L.137-2007, SEC.3; P.L.219-2007, SEC.31; P.L.3-2008, SEC.36; P.L.146-2008, SEC.122; P.L.173-2011, SEC.6; P.L.6-2012, SEC.41; P.L.288-2013, SEC.10.

IC 6-1.1-12.1-4.5 Version b

Statement of benefits; findings by designating body; deduction periods, amounts, and limitations

Note: This version of section effective 7-1-2015. See also preceding version of this section, effective until 7-1-2015.

Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information

technology equipment for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that the person proposes to acquire.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;

an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products by the new manufacturing equipment.

The statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether the deduction shall be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is reasonable for equipment of that type.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical

distribution equipment, or new information technology equipment;

whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.

(5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(6) Whether the totality of benefits is sufficient to justify the deduction.

The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the findings required by this subsection in the affirmative.

(c) Except as provided in subsection (f), and subject to subsection (g) and section 15 of this chapter, an owner of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment whose statement of benefits is approved is entitled to a deduction from the assessed value of that equipment for the number of years determined by the designating body under section 17 or 18 of this chapter. Except as provided in subsection (d) and in section 2(i)(3) of this chapter, and subject to subsection (g) and section 15 of this chapter, the amount of the deduction that an owner is entitled to for a particular year equals the product of:

(1) the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment in the year of deduction under the abatement schedule established under section 17 or 18 of this chapter; multiplied by

(2) the percentage prescribed by the designating body under

section 17 or 18 of this chapter.

(d) With respect to new manufacturing equipment and new research and development equipment installed before March 2, 2001, the deduction under this section is the amount that causes the net assessed value of the property after the application of the deduction under this section to equal the net assessed value after the application of the deduction under this section that results from computing:

(1) the deduction under this section as in effect on March 1, 2001; and

(2) the assessed value of the property under 50 IAC 4.2, as in effect on March 1, 2001, or, in the case of property subject to IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

(e) The designating body shall determine the number of years the deduction is allowed under section 17 or 18 of this chapter. Except as provided by section 18 of this chapter, the deduction may not be allowed for more than ten (10) years. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution shall be sent to the county auditor.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(f) The owner of new manufacturing equipment that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of a criminal violation under IC 13, including IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

(2) is subject to an order or a consent decree with respect to property located in Indiana based on a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(g) For purposes of subsection (c), the assessed value of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that is part of an owner's assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided

by

(B) the total true tax value of all of the owner's depreciable personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

As added by Acts 1981, P.L.72, SEC.3. Amended by P.L.71-1983, SEC.5; P.L.82-1987, SEC.3; P.L.56-1988, SEC.6; P.L.3-1989, SEC.37; P.L.56-1991, SEC.2; P.L.42-1992, SEC.3; P.L.65-1993, SEC.5; P.L.25-1995, SEC.20; P.L.1-1996, SEC.40; P.L.4-2000, SEC.6; P.L.178-2002, SEC.17; P.L.90-2002, SEC.120; P.L.1-2003, SEC.22; P.L.245-2003, SEC.8; P.L.256-2003, SEC.3; P.L.97-2004, SEC.20; P.L.64-2004, SEC.7 and P.L.81-2004, SEC.51; P.L.154-2006, SEC.27; P.L.137-2007, SEC.3; P.L.219-2007, SEC.31; P.L.3-2008, SEC.36; P.L.146-2008, SEC.122; P.L.173-2011, SEC.6; P.L.6-2012, SEC.41; P.L.288-2013, SEC.10; P.L.80-2014, SEC.3.

IC 6-1.1-12.1-4.6

Relocation of new manufacturing equipment

Sec. 4.6. (a) A designating body may adopt a resolution to authorize a property owner to relocate new manufacturing equipment for which a deduction is being granted under this chapter. The resolution may provide that the new manufacturing equipment may only be relocated to:

(1) a new location within the same economic revitalization area; or

(2) a new location within a different economic revitalization area if the area is within the jurisdiction of the designating body.

(b) Before adopting a resolution under this section, the designating body shall conduct a public hearing on the proposed resolution. Notice of the public hearing shall be published in accordance with IC 5-3-1. In addition, the designating body shall notify each taxing unit within the original and the new economic revitalization area of the proposed resolution, including the date and time of the public hearing. If a resolution is adopted under this section, the designating body shall deliver a copy of the adopted resolution to the county auditor within thirty (30) days after its adoption.

(c) New manufacturing equipment relocated under this section remains eligible for the assessed value deduction under this chapter. The same deduction percentage is to be applied as if the new manufacturing equipment had not been relocated.

As added by P.L.126-2000, SEC.6. Amended by P.L.90-2002, SEC.121; P.L.256-2003, SEC.4.

IC 6-1.1-12.1-4.7

Deduction for new manufacturing equipment; exemptions

Sec. 4.7. (a) Section 4.5(d) of this chapter does not apply to new manufacturing equipment located in a township having a population of more than four thousand (4,000) but less than seven thousand (7,000) located in a county having a population of more than forty-two thousand (42,000) but less than forty-two thousand three hundred (42,300) if the total original cost of all new manufacturing equipment placed into service by the owner during the preceding sixty (60) months exceeds fifty million dollars ($50,000,000), and if the economic revitalization area in which the new manufacturing equipment was installed was approved by the designating body before September 1, 1994.

(b) Section 4.5(d) of this chapter does not apply to new manufacturing equipment located in a county having a population of more than thirty-three thousand five hundred (33,500) but less than thirty-four thousand (34,000) if:

(1) the total original cost of all new manufacturing equipment placed into service in the county by the owner exceeds five hundred million dollars ($500,000,000); and

(2) the economic revitalization area in which the new manufacturing equipment was installed was approved by the designating body before January 1, 2001.

(c) A deduction under section 4.5(c) of this chapter is not allowed with respect to new manufacturing equipment described in subsection (b) in the first year the deduction is claimed or in subsequent years as permitted by section 4.5(c) of this chapter to the extent the deduction would cause the assessed value of all real property and personal property of the owner in the taxing district to be less than the incremental net assessed value for that year.

(d) The following apply for purposes of subsection (c):

(1) A deduction under section 4.5(c) of this chapter shall be disallowed only with respect to new manufacturing equipment installed after March 1, 2000.

(2) "Incremental net assessed value" means the sum of:

(A) the net assessed value of real property and depreciable personal property from which property tax revenues are required to be held in trust and pledged for the benefit of the owners of bonds issued by the redevelopment commission of a county described in subsection (b) under resolutions adopted November 16, 1998, and July 13, 2000 (as amended November 27, 2000); plus

(B) fifty-four million four hundred eighty-one thousand seven hundred seventy dollars ($54,481,770).

(3) The assessed value of real property and personal property of the owner shall be determined after the deductions provided by sections 3 and 4.5 of this chapter.

(4) The personal property of the owner shall include inventory.

(5) The amount of deductions provided by section 4.5 of this chapter with respect to new manufacturing equipment that was

installed on or before March 1, 2000, shall be increased from thirty-three and one-third percent (33 1/3%) of true tax value to one hundred percent (100%) of true tax value for assessment dates after February 28, 2001.

(e) A deduction not fully allowed under subsection (c) in the first year the deduction is claimed or in a subsequent year permitted by section 4.5 of this chapter shall be carried over and allowed as a deduction in succeeding years. A deduction that is carried over to a year but is not allowed in that year under this subsection shall be carried over and allowed as a deduction in succeeding years. The following apply for purposes of this subsection:

(1) A deduction that is carried over to a succeeding year is not allowed in that year to the extent that the deduction, together with:

(A) deductions otherwise allowed under section 3 of this chapter;

(B) deductions otherwise allowed under section 4.5 of this chapter; and

(C) other deductions carried over to the year under this subsection;

would cause the assessed value of all real property and personal property of the owner in the taxing district to be less than the incremental net assessed value for that year.

(2) Each time a deduction is carried over to a succeeding year, the deduction shall be reduced by the amount of the deduction that was allowed in the immediately preceding year.

(3) A deduction may not be carried over to a succeeding year under this subsection if such year is after the period specified in section 4.5(c) of this chapter or the period specified in a resolution adopted by the designating body under section 4.5(e) of this chapter.

As added by P.L.126-2000, SEC.7. Amended by P.L.205-2001, SEC.1; P.L.170-2002, SEC.17; P.L.146-2008, SEC.123; P.L.119-2012, SEC.20; P.L.288-2013, SEC.11.

IC 6-1.1-12.1-4.8

Property owner statement of benefits; findings by designating body; deduction periods, amounts, and limitations

Sec. 4.8. (a) A property owner that is an applicant for a deduction under this section must provide a statement of benefits to the designating body.

(b) If the designating body requires information from the property owner for the designating body's use in deciding whether to designate an economic revitalization area, the property owner must provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter. Otherwise, the property owner must submit the completed statement of benefits form to the designating body before the occupation of the eligible vacant building for which the property owner desires to claim a deduction.

(c) The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the eligible vacant building that the property owner or a tenant of the property owner will occupy.

(2) An estimate of the number of individuals who will be employed or whose employment will be retained by the property owner or the tenant as a result of the occupation of the eligible vacant building, and an estimate of the annual salaries of those individuals.

(3) Information regarding efforts by the owner or a previous owner to sell, lease, or rent the eligible vacant building during the period the eligible vacant building was unoccupied.

(4) Information regarding the amount for which the eligible vacant building was offered for sale, lease, or rent by the owner or a previous owner during the period the eligible vacant building was unoccupied.

(d) With the approval of the designating body, the statement of benefits may be incorporated in a designation application. A statement of benefits is a public record that may be inspected and copied under IC 5-14-3.

(e) The designating body must review the statement of benefits required by subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether a deduction should be allowed, after the designating body has made the following findings:

(1) Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed occupation of the eligible vacant building.

(2) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed occupation of the eligible vacant building.

(3) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed occupation of the eligible vacant building.

(4) Whether the occupation of the eligible vacant building will increase the tax base and assist in the rehabilitation of the economic revitalization area.

(5) Whether the totality of benefits is sufficient to justify the deduction.

A designating body may not designate an area an economic revitalization area or approve a deduction under this section unless the findings required by this subsection are made in the affirmative.

(f) Except as otherwise provided in this section, the owner of an eligible vacant building located in an economic revitalization area is entitled to a deduction from the assessed value of the building if the property owner or a tenant of the property owner occupies the eligible vacant building and uses it for commercial or industrial

purposes. The property owner is entitled to the deduction:

(1) for the first year in which the property owner or a tenant of the property owner occupies the eligible vacant building and uses it for commercial or industrial purposes; and

(2) for subsequent years determined under subsection (g).

(g) The designating body shall determine under section 17 of this chapter the number of years for which a property owner is entitled to a deduction under this section. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by a resolution adopted not more than sixty (60) days after the designating body receives a copy of the property owner's deduction application from the county auditor.

A certified copy of a resolution under subdivision (2) shall be sent to the county auditor, who shall make the deduction as provided in section 5.3 of this chapter. A determination concerning the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by using the procedure under subdivision (2).

(h) Except as provided in section 2(i)(5) of this chapter, and subject to section 15 of this chapter, the amount of the deduction the property owner is entitled to receive under this section for a particular year equals the product of:

(1) the assessed value of the building or part of the building that is occupied by the property owner or a tenant of the property owner; multiplied by

(2) the percentage determined by the designating body under section 17 of this chapter.

(i) The amount of the deduction determined under subsection (h) shall be adjusted in accordance with this subsection in the following circumstances:

(1) If:

(A) a general reassessment of real property under IC 6-1.1-4-4; or

(B) a reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

occurs within the period of the deduction, the amount of the assessed value determined under subsection (h)(1) shall be adjusted to reflect the percentage increase or decrease in assessed valuation that resulted from the reassessment.

(2) If an appeal of an assessment is approved and results in a reduction of the assessed value of the property, the amount of a deduction under this section shall be adjusted to reflect the percentage decrease that resulted from the appeal.

(j) The department of local government finance may adopt rules under IC 4-22-2 to implement this section.

As added by P.L.154-2006, SEC.28. Amended by P.L.219-2007, SEC.32; P.L.112-2012, SEC.28; P.L.288-2013, SEC.12.

IC 6-1.1-12.1-5

Real property application; filing requirements; change in property ownership; assessor review; county auditor; determination; appeal

Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner.

(2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(3) The assessed value of the improvements before rehabilitation.

(4) The increase in the assessed value of improvements resulting from the rehabilitation.

(5) The assessed value of the new structure in the case of redevelopment.

(6) The amount of the deduction claimed for the first year of the deduction.

(7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the following years the deduction is allowed without any additional deduction application being filed.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall act as follows:

(1) If a determination about the number of years the deduction is allowed has been made in the resolution adopted under

section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed, the county auditor shall make the appropriate deduction.

(3) If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) continues to use the property in compliance with any standards established under section 2(g) of this chapter; and

(2) files an application in the manner provided by subsection (e).

(h) The township or county assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

(i) Before the county auditor acts under subsection (f), the county auditor may request that the township assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, review the deduction application.

(j) A property owner may appeal a determination of the county auditor under subsection (f) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the person notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

As added by Acts 1977, P.L.69, SEC.1. Amended by Acts 1979, P.L.56, SEC.9; Acts 1981, P.L.72, SEC.4; Acts 1982, P.L.45, SEC.12; P.L.71-1983, SEC.6; P.L.62-1985, SEC.3; P.L.62-1986, SEC.3; P.L.74-1987, SEC.7; P.L.56-1988, SEC.7; P.L.42-1992, SEC.4; P.L.65-1993, SEC.6; P.L.4-2000, SEC.7; P.L.90-2002, SEC.122; P.L.245-2003, SEC.9; P.L.193-2005, SEC.1; P.L.146-2008, SEC.124; P.L.288-2013, SEC.13.

IC 6-1.1-12.1-5.1

Application; compliance with statement of benefits

Sec. 5.1. (a) This subsection applies to all deductions under section 3 of this chapter for property located in a residentially distressed area. In addition to the requirements of section 5(c) of this chapter, a deduction application filed under section 5 of this chapter must contain information showing the extent to which there has been

compliance with the statement of benefits approved under section 3 of this chapter.

(b) This subsection applies to each deduction (other than a deduction for property located in a residentially distressed area) for which a statement of benefits was approved under section 3 of this chapter. In addition to the requirements of section 5(c) of this chapter, a property owner who files a deduction application under section 5 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 3 of this chapter. This information must be included in the deduction application and must also be updated each year in which the deduction is applicable at the same time that the property owner is required to file a personal property tax return in the taxing district in which the property for which the deduction was granted is located. If the taxpayer does not file a personal property tax return in the taxing district in which the property is located, the information must be provided before May 15.

(c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

(1) The name and address of the taxpayer.

(2) The location and description of the property for which the deduction was granted.

(3) Any information concerning the number of employees at the property for which the deduction was granted, including estimated totals that were provided as part of the statement of benefits.

(4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.

(5) Any information concerning the assessed value of the property, including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the property owner.

(2) Any information concerning the cost of the property.

As added by P.L.82-1987, SEC.4. Amended by P.L.56-1988, SEC.8; P.L.14-1991, SEC.4; P.L.65-1993, SEC.7; P.L.193-2005, SEC.2; P.L.288-2013, SEC.14.

IC 6-1.1-12.1-5.3

Deduction application; deadline; required information; deduction amounts and periods; county auditor duties; appeals; public and confidential records

Sec. 5.3. (a) A property owner that desires to obtain the deduction provided by section 4.8 of this chapter must file a deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the

eligible vacant building is located. Except as otherwise provided in this section, the deduction application must be filed before May 10 of the year in which the property owner or a tenant of the property owner initially occupies the eligible vacant building.

(b) If notice of the assessed valuation or new assessment for a year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date the notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner and, if applicable, the property owner's tenant.

(2) A description of the property for which a deduction is claimed.

(3) The amount of the deduction claimed for the first year of the deduction.

(4) Any other information required by the department of local government finance or the designating body.

(d) A deduction application filed under this section applies to the year in which the property owner or a tenant of the property owner occupies the eligible vacant building and in the following year if the deduction is allowed for a two (2) year period, without an additional deduction application being filed.

(e) A property owner that desires to obtain the deduction provided by section 4.8 of this chapter but that did not file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year. A deduction application filed under this subsection applies to the year in which the deduction application is filed and the following year if the deduction is allowed for a two (2) year period, without an additional deduction application being filed. The amount of the deduction under this subsection is the amount that would have been applicable to the year under section 4.8 of this chapter if the deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall do the following:

(1) If a determination concerning the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination concerning the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided by section 4.8 of this chapter are not affected by a change in the ownership of the eligible vacant building or a change in the property owner's tenant, if the new property owner or the new tenant:

(1) continues to occupy the eligible vacant building in compliance with any standards established under section 2(g) of this chapter; and

(2) files an application in the manner provided by subsection (e).

(h) Before the county auditor acts under subsection (f), the county auditor may request that the township assessor of the township in which the eligible vacant building is located, or the county assessor if there is no township assessor for the township, review the deduction application.

(i) A property owner may appeal a determination of the county auditor under subsection (f) by requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the property owner notice of the determination. An appeal under this subsection shall be processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(j) In addition to the requirements of subsection (c), a property owner that files a deduction application under this section must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 4.8 of this chapter. This information must be included in the deduction application and must also be updated each year in which the deduction is applicable:

(1) at the same time that the property owner or the property owner's tenant files a personal property tax return for property located at the eligible vacant building for which the deduction was granted; or

(2) if subdivision (1) does not apply, before May 15 of each year.

(k) The following information is a public record if filed under this section:

(1) The name and address of the property owner.

(2) The location and description of the eligible vacant building for which the deduction was granted.

(3) Any information concerning the number of employees at the eligible vacant building for which the deduction was granted, including estimated totals that were provided as part of the statement of benefits.

(4) Any information concerning the total of the salaries paid to the employees described in subdivision (3), including estimated totals that are provided as part of the statement of benefits.

(5) Any information concerning the assessed value of the eligible vacant building, including estimates that are provided as part of the statement of benefits.

(l) Information concerning the specific salaries paid to individual

employees by the property owner or tenant is confidential.
As added by P.L.154-2006, SEC.29. Amended by P.L.146-2008, SEC.125.

IC 6-1.1-12.1-5.4
Personal property schedule; filing requirements; township assessor or county assessor review; change in property ownership; appeal

Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction schedule with the person's personal property return on a form prescribed by the department of local government finance with the township assessor of the township in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located, or with the county assessor if there is no township assessor for the township. Except as provided in subsection (e), the deduction is applied in the amount claimed in a certified schedule that a person files with:

(1) a timely personal property return under IC 6-1.1-3-7(a) or IC 6-1.1-3-7(b); or

(2) a timely amended personal property return under IC 6-1.1-3-7.5.

The township or county assessor shall forward to the county auditor a copy of each certified deduction schedule filed under this subsection. The township assessor shall forward to the county assessor a copy of each certified deduction schedule filed with the township assessor under this subsection.

(b) The deduction schedule required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(3) The amount of the deduction claimed for the first year of the deduction.

(c) If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall notify the designating body, and the designating body shall adopt a resolution under section 4.5(e)(2) of this chapter.

(d) A deduction schedule must be filed under this section in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed and in each of the immediately succeeding years the deduction is allowed.

(e) The township assessor, or the county assessor if there is no

township assessor for the township, may:

(1) review the deduction schedule; and

(2) before the March 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction.

If the township or county assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the deduction schedule or in the amount as altered by the township or county assessor. A township or county assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's action. The county auditor shall notify the designating body and the county property tax assessment board of appeals of all deductions applied under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

(1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and

(2) files the deduction schedules required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) A person may appeal a determination of the township or county assessor under subsection (e) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the township or county assessor not more than forty-five (45) days after the township or county assessor gives the person notice of the determination. Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(i) The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

As added by P.L.1-2002, SEC.19. Amended by P.L.256-2003, SEC.5; P.L.245-2003, SEC.10; P.L.64-2004, SEC.8 and P.L.81-2004, SEC.52; P.L.193-2005, SEC.3; P.L.146-2008, SEC.126; P.L.288-2013, SEC.15.

IC 6-1.1-12.1-5.5
Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-12.1-5.6
Compliance with statement of benefits; confidentiality of

information

Sec. 5.6. (a) In addition to the requirements of section 5.4(b) of this chapter, a property owner who files a deduction schedule under section 5.4 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter.

(b) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

(1) The name and address of the taxpayer.

(2) The location and description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the deduction was granted.

(3) Any information concerning the number of employees at the facility where the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located, including estimated totals that were provided as part of the statement of benefits.

(4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.

(5) Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products by the new manufacturing equipment.

(6) Any information concerning the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment including estimates that were provided as part of the statement of benefits.

(c) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) Any information concerning the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

As added by P.L.82-1987, SEC.5. Amended by P.L.56-1988, SEC.10; P.L.14-1991, SEC.5; P.L.65-1993, SEC.9; P.L.25-1995, SEC.22; P.L.4-2000, SEC.9; P.L.64-2004, SEC.9 and P.L.81-2004, SEC.53; P.L.216-2005, SEC.3; P.L.193-2005, SEC.4; P.L.1-2006, SEC.134; P.L.288-2013, SEC.16.

IC 6-1.1-12.1-5.7
Repealed

(Repealed by P.L.56-1988, SEC.16 and P.L.1-2002, SEC.171.)

IC 6-1.1-12.1-5.8
Waiver of statement of benefits

Sec. 5.8. In lieu of providing the statement of benefits required by section 3 or 4.5 of this chapter and the additional information required by section 5.1 or 5.6 of this chapter, the designating body may, by resolution, waive the statement of benefits if the designating body finds that the purposes of this chapter are served by allowing the deduction and the property owner has, during the thirty-six (36) months preceding the first assessment date to which the waiver would apply, installed new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment or developed or rehabilitated property at a cost of at least ten million dollars ($10,000,000) as determined by the assessor of the township in which the property is located, or by the county assessor if there is no township assessor for the township.

As added by P.L.47-1990, SEC.3. Amended by P.L.14-1991, SEC.7; P.L.4-2000, SEC.10; P.L.90-2002, SEC.123; P.L.256-2003, SEC.6; P.L.64-2004, SEC.10 and P.L.81-2004, SEC.54; P.L.146-2008, SEC.127.

IC 6-1.1-12.1-5.9
Determination of substantial compliance with statement of benefits; notice of noncompliance; hearing; resolution; appeal

Sec. 5.9. (a) This section does not apply to a deduction under section 3 of this chapter for property located in a residentially distressed area.

(b) Not later than forty-five (45) days after receipt of the information described in section 5.1, 5.3(j), or 5.6 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits approved under section 3, 4.5, or 4.8 of this chapter. If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:

(1) An explanation of the reasons for the designating body's determination.

(2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose

of further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body determines that the property owner has not made reasonable efforts to comply with the statement of benefits, the designating body shall adopt a resolution terminating the property owner's deduction under section 3, 4.5, or 4.8 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

(d) If the designating body adopts a resolution terminating a deduction under subsection (c), the designating body shall immediately mail a certified copy of the resolution to:

(1) the property owner;
(2) the county auditor; and
(3) the county assessor.

The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction. If the designating body's resolution is adopted after the county treasurer has mailed the statement required by IC 6-1.1-22-8.1, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

(e) A property owner whose deduction is terminated by the designating body under this section may appeal the designating body's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

(f) If an appeal under subsection (e) is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.

As added by P.L.14-1991, SEC.6. Amended by P.L.90-2002, SEC.124; P.L.256-2003, SEC.7; P.L.193-2005, SEC.5; P.L.154-2006, SEC.30; P.L.3-2008, SEC.37; P.L.146-2008, SEC.128; P.L.288-2013, SEC.17.

IC 6-1.1-12.1-6
Multiple deductions barred

Sec. 6. (a) A property owner may not receive a deduction under

this chapter for repairs or improvements to real property if he receives a deduction under either IC 6-1.1-12-18 or IC 6-1.1-12-22 for those same repairs or improvements.

(b) A property owner may not receive a deduction under this chapter if the property owner receives a deduction under IC 6-1.1-12-28.5 for the same property.

As added by Acts 1977, P.L.69, SEC.1. Amended by P.L.25-1995, SEC.23.

IC 6-1.1-12.1-7

Economic development target area; designation

Sec. 7. (a) After favorable recommendation by an economic development commission, the fiscal body of a city or town may by ordinance designate as an economic development target area a specific geographic territory that:

(1) has become undesirable or impossible for normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors that have impaired values or prevent a normal development of property or use of property;

(2) has been designated as a registered historic district under:

(A) the National Historic Preservation Act of 1966; or

(B) the jurisdiction of a preservation commission organized under:

(i) IC 36-7-11;

(ii) IC 36-7-11.1;

(iii) IC 36-7-11.2;

(iv) IC 36-7-11.3; or

(v) IC 14-3-3.2 (before its repeal); or

(3) encompasses buildings, structures, sites, or other facilities that are:

(A) listed on the national register of historic places established pursuant to 16 U.S.C. 470 et seq.;

(B) listed on the register of Indiana historic sites and historic structures established under IC 14-21-1; or

(C) determined to be eligible for listing on the Indiana register by the Indiana state historic preservation officer.

(b) The fiscal body of a city or town may designate a maximum of fifteen percent (15%) of the total geographic territory of the city or town to be in economic development target areas.

(c) Notwithstanding the repeal of IC 36-7-11.9-4 and IC 36-7-12-38, an economic development target area established by a city or town before July 1, 1987, continues in effect until it is modified or abolished by ordinance of the city or town fiscal body.

As added by P.L.82-1987, SEC.7. Amended by P.L.1-1995, SEC.44.

IC 6-1.1-12.1-8

Publishing and filing deduction information

Sec. 8. (a) Not later than December 31 of each year, the county

auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the deduction applications that were filed under this chapter during that year that resulted in deductions being applied under this chapter for that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The number of years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and applied during the year.

(2) The total amount of all deductions for real property that were in effect under section 3 of this chapter during the year.

(3) The total amount of all deductions for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that were in effect under section 4.5 of this chapter during the year.

(4) The total amount of all deductions for eligible vacant buildings that were in effect under section 4.8 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2), (a)(3), and (a)(4) with the department of local government finance not later than December 31 of each year.

As added by P.L.77-1989, SEC.3. Amended by P.L.42-1992, SEC.5; P.L.4-2000, SEC.11; P.L.90-2002, SEC.125; P.L.64-2004, SEC.11 and P.L.81-2004, SEC.55; P.L.193-2005, SEC.6; P.L.154-2006, SEC.31.

IC 6-1.1-12.1-9

Deadline for approval of statement of benefits; extension

Sec. 9. Notwithstanding any other provision of this chapter, a designating body may not approve a statement of benefits for a deduction under section 3, 4.5, or 4.8 of this chapter after the approval deadline, which is determined in the following manner:

(1) The initial approval deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial approval deadline and subsequent approval deadlines are automatically extended in increments of five (5) years, so that approval deadlines subsequent to the initial approval deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an approval deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of approval deadlines under subdivision (2); and

(B) specifically designates a particular date as the final

approval deadline.

As added by P.L.18-1992, SEC.22. Amended by P.L.25-1995, SEC.24; P.L.216-2005, SEC.4; P.L.154-2006, SEC.32.

IC 6-1.1-12.1-9.5

Waiver of noncompliance

Sec. 9.5. (a) As used in this section, "clerical error" includes mathematical errors and omitted signatures.

(b) Except as provided in section 9 of this chapter, the designating body may by resolution waive noncompliance with the following requirements in this chapter with respect to a particular deduction under this chapter:

(1) a filing deadline applicable to an application, a statement of benefits, or another document that is required to be filed under this chapter; or

(2) a clerical error in an application, a statement of benefits, or another document that is required to be filed under this chapter;

if the taxpayer otherwise qualifies for the deduction and the document is filed or the clerical error is corrected before the resolution is adopted. The resolution must specifically identify the property, deductions, and taxpayer that are effected by the resolution, specifically identify the noncompliance that is the subject of the resolution, and include a finding that the noncompliance has been corrected before the adoption of the resolution.

(c) The designating body shall certify a copy of a resolution adopted under this section to the taxpayer and the department of local government finance.

(d) If a noncompliance with this chapter has been corrected and a resolution is adopted under this section, the taxpayer shall be treated as if the taxpayer had complied with the procedural requirements of this chapter. However, if the designating body determines that granting the relief permitted by this section would result in a delay in the issuance of tax bills, require the recalculation of tax rates or tax levies for a particular year, or otherwise cause an undue burden on a taxing unit, the designating body may require that the deduction that the taxpayer would be entitled to receive for a particular year be applied to a subsequent year in the manner prescribed by the department of local government finance.

As added by P.L.154-2006, SEC.33.

IC 6-1.1-12.1-10

Retroactive approval of statement of benefits; applicability

Sec. 10. (a) This section applies to a town having a population of more than two thousand five hundred (2,500) located in a county having a population of more than twenty-seven thousand (27,000) but less than twenty-eight thousand (28,000).

(b) Notwithstanding sections 3 and 4.5 of this chapter, the submission of a statement of benefits to a designating body subsequent to the installation of new manufacturing equipment and the initiation of the rehabilitation or redevelopment of real estate and

the designating body's retroactive approval of that statement of benefits are legalized and validated for 1993 and subsequent assessment years, subject to the limitations set forth in section 5(e) of this chapter.

As added by P.L.32-1994, SEC.1. Amended by P.L.170-2002, SEC.18; P.L.119-2012, SEC.21.

IC 6-1.1-12.1-11
Repealed

(Repealed by P.L.53-2014, SEC.71.)

IC 6-1.1-12.1-11.3
Waiver of noncompliance

Sec. 11.3. (a) This section applies only to the following requirements:

(1) Failure to provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter.

(2) Failure to submit the completed statement of benefits form to the designating body before the:

(A) initiation of the redevelopment or rehabilitation;

(B) installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment; or

(C) occupation of an eligible vacant building;

for which the person desires to claim a deduction under this chapter.

(3) Failure to designate an area as an economic revitalization area before the initiation of the:

(A) redevelopment;

(B) installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment;

(C) rehabilitation; or

(D) occupation of an eligible vacant building;

for which the person desires to claim a deduction under this chapter.

(4) Failure to make the required findings of fact before designating an area as an economic revitalization area or authorizing a deduction for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment under section 2, 3, 4.5, or 4.8 of this chapter.

(5) Failure to file a:

(A) timely; or

(B) complete;

deduction application under section 5, 5.3, or 5.4 of this chapter.

(b) This section does not grant a designating body the authority to exempt a person from filing a statement of benefits or exempt a designating body from making findings of fact.

(c) A designating body may by resolution waive noncompliance described under subsection (a) under the terms and conditions specified in the resolution. Before adopting a waiver under this subsection, the designating body shall conduct a public hearing on the waiver.

As added by P.L.84-1995, SEC.3. Amended by P.L.4-2000, SEC.12; P.L.245-2003, SEC.11; P.L.64-2004, SEC.12 and P.L.81-2004, SEC.56; P.L.154-2006, SEC.34; P.L.173-2011, SEC.7; P.L.288-2013, SEC.18.

IC 6-1.1-12.1-12

Repayment of deduction falsely obtained; appeal; calculation; distribution of repayment

Sec. 12. (a) A property owner that has received a deduction under section 3, or 4.5 of this chapter is subject to the provisions of this section if the designating body adopts a resolution incorporating the provisions of this section for the economic revitalization area in which the property owner is located.

(b) If:

(1) the property owner (or, in the case of a deduction under section 4.8 of this chapter, the property owner or a tenant of the property owner) ceases operations at the facility for which the deduction was granted; and

(2) the designating body finds that the property owner obtained the deduction by intentionally providing false information concerning the property owner's plans to continue operations at the facility;

the property owner shall pay the amount determined under subsection (e) to the county treasurer.

(c) A property owner may appeal the designating body's decision under subsection (b) by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined not more than thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is a final determination that may be appealed in the same manner as other civil actions.

(d) If an appeal under subsection (c) is pending, the payment required by this section is not due until after the appeal is finally adjudicated and the property owner's liability for the payment is finally determined.

(e) The county auditor shall determine the amount to be paid by the property owner according to the following formula:

STEP ONE: For each year that the deduction was in effect,

determine the additional amount of property taxes that would have been paid by the property owner if the deduction had not been in effect.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Multiply the sum determined under STEP TWO by one and one-tenth (1.1).

(f) The county treasurer shall distribute money paid under this section on a pro rata basis to the general fund of each taxing unit that contains the property that was subject to the deduction. The amount to be distributed to the general fund of each taxing unit shall be determined by the county auditor according to the following formula:

STEP ONE: For each year that the deduction was in effect, determine the additional amount of property taxes that would have been paid by the property owner to the taxing unit if the deduction had not been in effect.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Divide the STEP TWO sum by the sum determined under STEP TWO of subsection (e).

STEP FOUR: Multiply the amount paid by the property owner under subsection (e) by the STEP THREE quotient.

As added by P.L.85-1995, SEC.2. Amended by P.L.154-2006, SEC.35.

IC 6-1.1-12.1-12.5

Distribution of reimbursement, repayment, or penalty imposed for failure to comply with requirements

Sec. 12.5. Except as provided in section 12(f) of this chapter, if a county or municipality receives a reimbursement, repayment, or penalty from a taxpayer on account of the taxpayer's failure to comply with the statement of benefits provided by the taxpayer or on account of the taxpayer's failure to comply with any other requirement to receive a deduction under this chapter, the county or municipal fiscal officer shall distribute the amount of the reimbursement, repayment, or penalty on a pro rata basis to each taxing unit that contains the property that was subject to the deduction. The amount to be distributed to each taxing unit that contains the property that was subject to the deduction shall be determined according to the following formula:

STEP ONE: Determine the total aggregate property tax rate imposed in the preceding year by the taxing unit.

STEP TWO: Determine the sum of the STEP ONE amounts for all taxing units that contain the property that was subject to the deduction.

STEP THREE: Divide the STEP ONE amount by the sum determined under STEP TWO.

STEP FOUR: Multiply the amount of the reimbursement, repayment, or penalty by the STEP THREE quotient.

As added by P.L.80-2014, SEC.4.

IC 6-1.1-12.1-13

Department of local government finance rules

Sec. 13. The department of local government finance shall adopt rules under IC 4-22-2 to implement this chapter.

As added by P.L.245-2003, SEC.12.

IC 6-1.1-12.1-14

Local government authority to impose fee with consent of property owner; fee amount; distribution

Sec. 14. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 2004.

(b) A property owner that receives a deduction under section 3, 4.5, or 4.8 of this chapter is subject to this section only if the designating body, with the consent of the property owner, incorporates this section, including the percentage to be applied by the county auditor for purposes of STEP TWO of subsection (c), into its initial approval of the property owner's statement of benefits and deduction at the time of that approval.

(c) During each year in which a property owner's property tax liability is reduced by a deduction applied under this chapter, the property owner shall pay to the county treasurer a fee in an amount determined by the county auditor. The county auditor shall determine the amount of the fee to be paid by the property owner according to the following formula:

STEP ONE: Determine the additional amount of property taxes that would have been paid by the property owner during the year if the deduction had not been in effect.

STEP TWO: Multiply the amount determined under STEP ONE by the percentage determined by the designating body under subsection (b), which may not exceed fifteen percent (15%). The percentage determined by the designating body remains in effect throughout the term of the deduction and may not be changed.

STEP THREE: Determine the lesser of the STEP TWO product or one hundred thousand dollars ($100,000).

(d) Fees collected under this section must be distributed to one (1) or more public or nonprofit entities established to promote economic development within the corporate limits of the city, town, or county served by the designating body. The designating body shall notify the county auditor of the entities that are to receive distributions under this section and the relative proportions of those distributions. The county auditor shall distribute fees collected under this section in accordance with the designating body's instructions.

(e) If the designating body determines that a property owner has not paid a fee imposed under this section, the designating body may adopt a resolution terminating the property owner's deduction under section 3, 4.5, or 4.8 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next

installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

As added by P.L.81-2004, SEC.57. Amended by P.L.193-2005, SEC.7; P.L.154-2006, SEC.36.

IC 6-1.1-12.1-15

Correction of deduction errors

Sec. 15. (a) If:

(1) as the result of an error by a taxpayer the county auditor applies a deduction under this chapter for a particular assessment date in an amount that is less than the amount to which the taxpayer is entitled under this chapter; and

(2) the taxpayer is entitled to a correction of the error under this article;

the county auditor shall apply the correction of the error as provided in this section.

(b) With respect to a deduction based on an increase in the assessed value of real property, the county auditor shall apply a deduction from the assessed value of the real property:

(1) except as provided in subsection (d), for the assessment date that next succeeds the last assessment date for which a deduction under this chapter would apply without regard to this section based on that increase; and

(2) except as provided in subsection (c), in the amount of the lesser of:

(A) the remainder of:

(i) the amount of the deduction to which the taxpayer is entitled under this chapter for the particular assessment date under subsection (a); minus

(ii) the amount of the deduction that was applied for that assessment date; or

(B) the assessed value of the real property for the assessment date for which the correction applies.

(c) If the county auditor applies an incorrect deduction as described in subsection (a) for more than one (1) assessment date, the county auditor shall:

(1) combine the amounts of deduction corrections determined under subsection (b)(2)(A) for all of the assessment dates for which incorrect deductions were applied; and

(2) except as provided in subsection (d), apply that combined amount as a deduction for the assessment date referred to in subsection (b)(1) in the manner described in subsection (b)(2).

(d) If:

(1) the remainder determined under subsection (b)(2)(A); or

(2) the combined amount of deduction corrections under subsection (c)(1);

exceeds the assessed value referred to in subsection (b)(2)(B), the county auditor shall carry the excess over as assessed value deductions for the immediately succeeding assessment date or dates.

(e) With respect to a deduction based on an increase in the

assessed value of personal property, the county auditor shall apply deduction corrections in the manner provided in subsections (a) through (d), except that the assessed value and deduction determinations apply to the taxpayer's personal property return.

(f) A taxpayer is not required to file an application for a deduction under this section.

As added by P.L.219-2007, SEC.33.

IC 6-1.1-12.1-16
Repealed

(Repealed by P.L.288-2013, SEC.19.)

IC 6-1.1-12.1-17 Version a
Abatement schedules

Note: This version of section effective until 7-1-2015. See also following version of this section, effective 7-1-2015.

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

(1) The total amount of the taxpayer's investment in real and personal property.

(2) The number of new full-time equivalent jobs created.

(3) The average wage of the new employees compared to the state minimum wage.

(4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

As added by P.L.173-2011, SEC.9. Amended by P.L.288-2013, SEC.20.

IC 6-1.1-12.1-17 Version b
Abatement schedules

Note: This version of section effective 7-1-2015. See also preceding version of this section, effective until 7-1-2015.

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

(1) The total amount of the taxpayer's investment in real and personal property.

(2) The number of new full-time equivalent jobs created.

(3) The average wage of the new employees compared to the state minimum wage.

(4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. Except as provided in section 18 of this chapter, an abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

As added by P.L.173-2011, SEC.9. Amended by P.L.288-2013, SEC.20; P.L.80-2014, SEC.5.

IC 6-1.1-12.1-18

Enhanced abatement for certain business personal property; specification of percentage amount; maximum duration; review of compliance with statement of benefits

Effective 7-1-2015.

Sec. 18. (a) This section applies to a deduction provided under section 4.5 of this chapter for new personal property with respect to a statement of benefits approved after June 30, 2015.

(b) As used in this section, "business personal property" means personal property that:

(1) is otherwise subject to assessment and taxation under this article; and

(2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income.

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (2), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

(c) As used in this section, "new personal property" means business personal property that:

(1) a taxpayer places in service after the date the taxpayer's statement of benefits is approved by the designating body; and

(2) has not previously been used in Indiana before the taxpayer acquires the business personal property.

(d) A designating body may establish an enhanced abatement schedule for a deduction described in subsection (a). An enhanced abatement schedule established under this subsection:

(1) must specify the percentage amount of the deduction for each year of the deduction; and

(2) may not exceed twenty (20) years.

(e) If a taxpayer is granted a deduction under section 4.5 of this chapter on an abatement schedule that exceeds ten (10) years through an enhanced abatement schedule established under subsection (d), the designating body shall conduct a public hearing to review the taxpayer's compliance with the statement of benefits provided to the designating body under this chapter after the tenth year of the abatement.

As added by P.L.80-2014, SEC.6.

IC 6-1.1-12.2

Chapter 12.2. Deduction for Aircraft

IC 6-1.1-12.2-1

Application of chapter

Sec. 1. This chapter applies only to the following:

(1) Aircraft that:

(A) have a seating capacity of not more than ninety (90) passengers;

(B) are used in the air transportation of passengers or passengers and property; and

(C) are owned or operated by a person who is:

(i) an air carrier certificated under Federal Air Regulation Part 121; or

(ii) a scheduled air taxi operator certified under Federal Air Regulation Part 135.

(2) Aircraft that:

(A) are used to transport only property, regardless of whether the aircraft is operated as a common carrier for compensation; and

(B) are owned or operated by a person who is:

(i) an air carrier certificated under Federal Air Regulation Part 121; or

(ii) a scheduled air taxi operator certified under Federal Air Regulation Part 135.

As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-2

"Abatement property"

Sec. 2. As used in this chapter "abatement property" refers to aircraft described in section 1 of this chapter.

As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-3

"Aircraft"

Sec. 3. As used in this chapter, "aircraft" has the meaning set forth in 49 U.S.C. 40102.

As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-4

"Air transportation"

Sec. 4. As used in this chapter, "air transportation" means transportation of passengers or property by aircraft as a common carrier for compensation.

As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-5

"Business entity"

Sec. 5. As used in this chapter, "business entity" refers to a corporation (as defined in IC 6-3-1-10) or partnership (as defined in

IC 6-3-1-19).
As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-6
"Indiana corporate headquarters"

Sec. 6. As used in this chapter, "Indiana corporate headquarters" means a physical presence in Indiana of a domestic business entity that results in Indiana being the regular or principal place of business of its chief executive, operating, and financial officers.
As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-7
"Subsidiary"

Sec. 7. As used in this chapter, "subsidiary" means a business entity in which another business entity with an Indiana corporate headquarters has at least an eighty percent (80%) ownership interest.
As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-8
"Taxpayer"

Sec. 8. As used in this chapter, "taxpayer" means a business entity that:

(1) has an Indiana corporate headquarters; or
(2) is a subsidiary of a business entity with an Indiana corporate headquarters;

and that is liable under IC 6-1.1-2-4, as applied under IC 6-1.1-3 or IC 6-1.1-8, for ad valorem property taxes on abatement property.
As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-9
Deduction

Sec. 9. A taxpayer is entitled to a deduction from the assessed value of abatement property in each year in which the abatement property is subject to taxation for ad valorem property taxes.
As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-10
Deduction amount

Sec. 10. The amount of the deduction is equal to one hundred percent (100%) of the assessed value of the abatement property.
As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-11
Deduction includes property taxes

Sec. 11. The deduction includes ad valorem property taxes calculated using aircraft ground times.
As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.2-12
Qualification for deduction

Sec. 12. To qualify for the deduction, the taxpayer must claim the deduction, in the manner prescribed by the department of local government finance, on the taxpayer's personal property tax return filed under IC 6-1.1-3 or IC 6-1.1-8 (or an amended return filed within the time allowed under this article) for the abated property to which the deduction applies.

As added by P.L.224-2003, SEC.180.

IC 6-1.1-12.3

Chapter 12.3. Intrastate Aircraft Deduction

IC 6-1.1-12.3-1

Application

Sec. 1. This chapter applies only to the following:

(1) Aircraft that:

(A) have a seating capacity of not less than nine (9) passengers;

(B) are used in the air transportation of passengers or passengers and property; and

(C) are owned or operated by a person that is:

(i) an air carrier certified under Federal Aviation Regulation Part 121; or

(ii) a scheduled air taxi operator certified under Federal Aviation Regulation Part 135.

(2) Aircraft that:

(A) are used to transport only property, regardless of whether the aircraft is operated as a common carrier for compensation; and

(B) are owned or operated by a person that is:

(i) an air carrier certified under Federal Aviation Regulation Part 121; or

(ii) a scheduled air taxi operator certified under Federal Aviation Regulation Part 135.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-2

"Abatement property"

Sec. 2. As used in this chapter "abatement property" refers to aircraft described in section 1 of this chapter.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-3

"Aircraft"

Sec. 3. As used in this chapter, "aircraft" has the meaning set forth in 49 U.S.C. 40102.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-4

"Air transportation"

Sec. 4. As used in this chapter, "air transportation" means transportation of passengers or property by aircraft as a common carrier for compensation.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-5

"Business entity"

Sec. 5. As used in this chapter, "business entity" refers to a corporation (as defined in IC 6-3-1-10) or partnership (as defined in

IC 6-3-1-19).
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-6
"Intrastate airline service"

Sec. 6. As used in this chapter, "intrastate airline service" means service provided in Indiana by an aircraft that is used during a service period in which ground time is determined for purposes of calculating ad valorem property taxes to fly:

(1) either directly:
  (A) between:
    (i) a qualifying medium hub airport; and
    (ii) at least two (2) qualifying underserved airports; or
  (B) between:
    (i) two (2) qualifying commercial service airports, one (1) of which is not a qualifying underserved airport; or
    (ii) a qualifying medium hub airport and a qualifying commercial service airport other than a qualifying underserved airport; and
(2) a route described in subdivision (1)(A) or (1)(B) at least five (5) times per week in each week during the service period immediately preceding an assessment date.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-7
"Qualifying commercial service airport"

Sec. 7. As used in this chapter, "qualifying commercial service airport" means a commercial service airport (as defined in 14 CFR 158.3, as effective January 1, 2003) that is located in Indiana.
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-8
"Qualifying medium hub airport"

Sec. 8. As used in this chapter, "qualifying medium hub airport" means a medium hub airport (as defined in 14 CFR 398.2, as effective January 1, 2003) that is located in Indiana.
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-9
"Qualifying underserved airport"

Sec. 9. As used in this chapter, "qualifying underserved airport" means a qualifying commercial service airport that serves a municipality that is not directly connected by an interstate highway with a municipality served by a qualifying medium hub airport.
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-10
"Service period"

Sec. 10. As used in this chapter, "service period" means a period beginning March 1 in a year immediately preceding an assessment

date and ending on February 28 in the year containing an assessment date.
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-11
"Taxpayer"

Sec. 11. As used in this chapter, "taxpayer" means a business entity that is liable under IC 6-1.1-2-4, as applied under IC 6-1.1-3 or IC 6-1.1-8, for ad valorem property taxes on abatement property.
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-12
Deduction; service to underserved airports

Sec. 12. A taxpayer is entitled to a deduction from the assessed value of abatement property that is used to provide intrastate airline service between locations described in section 6(1)(A) of this chapter.
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-13
Deduction; service not involving underserved airports; limitations

Sec. 13. A taxpayer is entitled to a deduction from the assessed value of abatement property used to provide intrastate airline service between at least two (2) locations described in section 6(1)(B) of this chapter only if the same or another taxpayer provides intrastate airline service between locations described in section 6(1)(A) of this chapter during the same service period.
As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-14
Amount of deduction; ground time

Sec. 14. The deduction applies to ad valorem property taxes calculated using aircraft ground times. The amount of a deduction available under section 12 or 13 of this chapter is equal to the product of:

(1) one hundred percent (100%) of the assessed value of the abatement property; multiplied by
(2) with respect to the ground time determined for purposes of calculating ad valorem property taxes for the aircraft, the quotient of:
(A) the ground time that immediately precedes a flight to an Indiana destination; divided by
(B) the total ground time.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-15
Limitations; weekly service requirements; service to underserved airports

Sec. 15. (a) Any part of an ad valorem property tax assessment attributable to ground times during a week:

(1) in which the requirements of section 6(2) of this chapter are

not met; and

(2) for which noncompliance is not waived under section 16 of this chapter;

may not be deducted under section 12 or 13 of this chapter.

(b) Any part of an ad valorem property tax assessment attributable to ground times during a week in which intrastate air service described in section 6(1)(A) of this chapter is not also available may not be deducted under section 13 of this chapter.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-16

Weekly service requirements; waiver

Sec. 16. Based on:

(1) extraordinary circumstances that prevent a taxpayer from using abatement property to meet the requirements under section 6(2) of this chapter; or

(2) the start-up of service after the beginning of a service period;

the airport operator of the airports (other than a qualifying medium hub airport) that were directly affected by reduced service may waive compliance with section 6(2) of this chapter during all or part of the period in which the circumstances preventing regular service occurred. A taxpayer shall be treated as in compliance with section 6(2) of this chapter to the extent that compliance with the provision is waived under this section.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.3-17

Claiming deduction

Sec. 17. To qualify for the deduction, the taxpayer must claim the deduction, in the manner prescribed by the department of local government finance, on the taxpayer's personal property tax return filed under IC 6-1.1-3 or IC 6-1.1-8 (or an amended return filed within the time allowed under this article) for the abatement property to which the deduction applies.

As added by P.L.224-2003, SEC.279.

IC 6-1.1-12.4
Chapter 12.4. Investment Deduction

IC 6-1.1-12.4-1
"Official"

Sec. 1. For purposes of this chapter, "official" means:
(1) a county auditor;
(2) a county assessor; or
(3) a township assessor (if any).

As added by P.L.193-2005, SEC.8. Amended by P.L.146-2008, SEC.129.

IC 6-1.1-12.4-2
Applicability of deduction entitlement; calculation of deduction amount; filing requirements; adjustments

Sec. 2. (a) For purposes of this section, an increase in the assessed value of real property is determined in the same manner that an increase in the assessed value of real property is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to a development, redevelopment, or rehabilitation that is first assessed after March 1, 2005, and before March 2, 2007. Except as provided in subsection (h) and sections 4, 5, and 8 of this chapter, an owner of real property that:
(1) develops, redevelops, or rehabilitates the real property; and
(2) creates or retains employment from the development, redevelopment, or rehabilitation;

is entitled to a deduction from the assessed value of the real property.

(c) Subject to section 14 of this chapter, the deduction under this section is first available in the year in which the increase in assessed value resulting from the development, redevelopment, or rehabilitation occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to real property located in a county for a particular year equals the lesser of:
(1) two million dollars ($2,000,000); or
(2) the product of:
(A) the increase in assessed value resulting from the development, rehabilitation, or redevelopment; multiplied by
(B) the percentage from the following table:

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

(d) A property owner that qualifies for the deduction under this section must file a notice to claim the deduction in the manner prescribed by the department of local government finance under rules adopted by the department of local government finance under IC 4-22-2 to implement this chapter. The township assessor, or the county assessor if there is no township assessor for the township, shall:

(1) inform the county auditor of the real property eligible for the deduction as contained in the notice filed by the taxpayer under this subsection; and

(2) inform the county auditor of the deduction amount.

(e) The county auditor shall:

(1) make the deductions; and

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

under this section.

(f) The amount of the deduction determined under subsection (c)(2) is adjusted to reflect the percentage increase or decrease in assessed valuation that results from:

(1) a general reassessment of real property under IC 6-1.1-4-4;

(2) a reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2; or

(3) an annual adjustment under IC 6-1.1-4-4.5.

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

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

As added by P.L.193-2005, SEC.8. Amended by P.L.219-2007, SEC.34; P.L.234-2007, SEC.38; P.L.3-2008, SEC.38; P.L.146-2008, SEC.130; P.L.112-2012, SEC.29.

IC 6-1.1-12.4-3

Eligibility; deduction amount; period of deduction; deduction claim; limitations

Sec. 3. (a) For purposes of this section, an increase in the assessed value of personal property is determined in the same manner that an increase in the assessed value of new manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to personal property that the owner purchases after March 1, 2005, and before March 2, 2007. Except as provided in sections 4, 5, and 8 of this chapter, an owner that purchases personal property that:

(1) was never before used by its owner for any purpose in Indiana; and

(2) creates or retains employment;

is entitled to a deduction from the assessed value of the personal property.

(c) Subject to section 14 of this chapter, the deduction under this section is first available in the year in which the increase in assessed value resulting from the purchase of the personal property occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to personal property located in a county for a particular year equals the lesser of:

(1) two million dollars ($2,000,000); or

(2) the product of:

(A) the increase in assessed value resulting from the purchase of the personal property; multiplied by

(B) the percentage from the following table:

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

(d) If an appeal of an assessment is approved that results in a reduction of the assessed value of the personal property, the amount of the deduction is adjusted to reflect the percentage decrease that results from the appeal.

(e) A property owner must claim the deduction under this section on the owner's annual personal property tax return. The township assessor, or the county assessor if there is no township assessor for the township, shall:

(1) identify the personal property eligible for the deduction to the county auditor; and

(2) inform the county auditor of the deduction amount.

(f) The county auditor shall:

(1) make the deductions; and

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

under this section.

(g) The deduction under this section does not apply to personal property at a facility listed in IC 6-1.1-12.1-3(e).

As added by P.L.193-2005, SEC.8. Amended by P.L.154-2006, SEC.37; P.L.169-2006, SEC.7; P.L.1-2007, SEC.41; P.L.219-2007, SEC.35; P.L.234-2007, SEC.39; P.L.3-2008, SEC.39; P.L.146-2008, SEC.131.

IC 6-1.1-12.4-4

Ineligibility of real and personal property located in allocation area

Sec. 4. A property owner may not receive a deduction under this chapter with respect to real property or personal property located in an allocation area (as defined in IC 6-1.1-21.2-3).

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-5

Additional deductions for property prohibited

Sec. 5. A property owner that qualifies for a deduction for a year under this chapter and another statute with respect to the same:

(1) real property development, redevelopment, or rehabilitation; or

(2) personal property purchase;

may not receive a deduction under both statutes for the development, redevelopment, rehabilitation, or purchase for that year.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-6

Official review of job creation and job retention criteria; notice of

hearing

Sec. 6. An official may:

(1) review the creation or retention of employment from:

(A) the development, redevelopment, or rehabilitation of real property; or

(B) the purchase of personal property;

that qualifies a property owner for a deduction under this chapter;

(2) determine whether the creation or retention of employment described in subdivision (1) has occurred; and

(3) if the official determines under subdivision (2) that:

(A) the creation or retention of employment described in subdivision (1) has not occurred; and

(B) the failure to create or retain employment was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services);

mail a written notice to the property owner of a hearing on the termination of the deduction under this chapter.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-7

Notice of hearing requirements

Sec. 7. The written notice under section 6(3) of this chapter must include the following:

(1) An explanation of the reasons for the determination that the creation or retention of employment described in section 6(1) of this chapter has not occurred.

(2) The date, time, and place of a hearing to be conducted:

(A) by the official; and

(B) not more than thirty (30) days after the date of the notice under section 6(3) of this chapter;

to further consider the property owner's creation or retention of employment as described in section 6(1) of this chapter.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-8

Hearing requirements; termination of deduction

Sec. 8. On the date specified in the notice described in section 6(3) of this chapter, the official shall conduct a hearing for the purpose of further considering the property owner's creation or retention of employment as described in section 6(1) of this chapter. Based on the information presented at the hearing by the property owner and other interested parties, the official shall determine whether the property owner has made reasonable efforts to create or retain employment as described in section 6(1) of this chapter and whether any failure to create or retain employment was caused by factors beyond the control of the property owner. If the official determines that the property owner has not made reasonable efforts to create or retain employment, the official shall determine that the property owner's

deduction under this chapter is terminated. If the official terminates the deduction, the deduction does not apply to:

(1) the next installment of property taxes owed by the property owner; or

(2) any subsequent installment of property taxes.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-9

Notice of termination

Sec. 9. If an official terminates a deduction under section 8 of this chapter:

(1) the official shall immediately mail a certified copy of the determination to:

(A) the property owner; and

(B) if the determination is made by the county assessor or the township assessor (if any), the county auditor;

(2) the county auditor shall:

(A) remove the deduction from the tax duplicate; and

(B) notify the county treasurer of the termination of the deduction; and

(3) if the official's determination to terminate the deduction occurs after the county treasurer has mailed the statement required by IC 6-1.1-22-8.1, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

As added by P.L.193-2005, SEC.8. Amended by P.L.3-2008, SEC.40; P.L.146-2008, SEC.132.

IC 6-1.1-12.4-10

Appeal of termination

Sec. 10. A property owner whose deduction is terminated under section 8 of this chapter may appeal the official's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. The court shall:

(1) hear an appeal under this section promptly without a jury; and

(2) determine the appeal not later than thirty (30) days after the date of the filing of the appeal.

The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-11

Taxes not due while appeal pending

Sec. 11. If an appeal under section 10 of this chapter is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-12
Change of ownership

Sec. 12. If ownership of the real property or new personal property changes, the deduction under this chapter continues to apply to the real property or personal property, and the amount of deduction is the product of:

(1) the percentage under section 2(c)(2)(B) or 3(c)(2)(B) of this chapter that would have applied if the ownership of the property had not changed; multiplied by

(2) the assessed value of the real property or personal property for the year the new owner qualifies for the deduction.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-13
Department of local government finance rulemaking

Sec. 13. The department of local government finance shall adopt rules under IC 4-22-2 to implement this chapter.

As added by P.L.193-2005, SEC.8.

IC 6-1.1-12.4-14
Correction of error in deduction amount

Sec. 14. If:

(1) as the result of an error the county auditor applies a deduction under this chapter for a particular assessment date in an amount that is less than the amount to which the taxpayer is entitled under this chapter; and

(2) the taxpayer is entitled to a correction of the error under this article;

the county auditor shall apply the correction of the error in the manner that corrections are applied under IC 6-1.1-12.1-15.

As added by P.L.219-2007, SEC.36.

IC 6-1.1-12.5

Chapter 12.5. Infrastructure Development Zones

IC 6-1.1-12.5-1

"Eligible infrastructure"

Sec. 1. As used in this chapter, "eligible infrastructure" means the following:

(1) Storage, compressed natural gas, liquefied natural gas, transmission, and distribution facilities to be used in the delivery of natural gas, or supplemental or substitute forms of gas sources by a natural gas utility.

(2) Facilities and technologies used in the deployment and transmission of broadband service, however defined or classified by the Federal Communications Commission, or advanced services (as defined in 47 CFR 51.5) by a provider of broadband service or advanced services.

(3) Facilities used in the treatment, storage, or distribution of water by a water utility.

As added by P.L.133-2013, SEC.1.

IC 6-1.1-12.5-2

"Natural gas utility"

Sec. 2. As used in this chapter, "natural gas utility" means a utility engaged in the business of furnishing natural gas service to the public.

As added by P.L.133-2013, SEC.1.

IC 6-1.1-12.5-3

"Person"

Sec. 3. As used in this chapter, "person" means a firm, association, cooperative, corporation, limited liability company, business trust, partnership, or limited liability partnership.

As added by P.L.133-2013, SEC.1.

IC 6-1.1-12.5-4

Ordinance designating infrastructure development zone

Sec. 4. A county executive, or in Marion County, the county fiscal body, may adopt an ordinance designating a geographic territory as an infrastructure development zone after:

(1) conducting a public hearing on the proposed ordinance;

(2) publishing notice of the public hearing in the manner prescribed by IC 5-3-1; and

(3) making the following findings:

(A) Adequate eligible infrastructure is not available in the zone.

(B) Providing a property tax exemption to a person for investing in eligible infrastructure in the zone will provide opportunities for increased natural gas usage, increased availability of broadband service, advanced services, and public water, and economic development benefits in the

zone.

As added by P.L.133-2013, SEC.1.

IC 6-1.1-12.5-5

Exemption from property taxation

Sec. 5. If an infrastructure development zone is established under this chapter, eligible infrastructure located in the zone is exempt from property taxation.

As added by P.L.133-2013, SEC.1.

IC 6-1.1-12.6

Chapter 12.6. Deduction for Model Residence

IC 6-1.1-12.6-0.5

"Affiliated group"

Sec. 0.5. As used in this chapter, "affiliated group" means any combination of the following:

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

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

As added by P.L.70-2008, SEC.1. Amended by P.L.1-2009, SEC.41.

IC 6-1.1-12.6-1

"Model residence"

Sec. 1. (a) As used in this chapter, "model residence" means real property that consists of a single family residence, single family townhouse, or single family condominium unit that:

(1) has never been occupied as a principal residence; and

(2) is used for display or demonstration to prospective buyers or lessees for purposes of potential acquisition or lease of a similar type of residence, townhouse, or condominium unit on:

(A) the same property; or

(B) other property.

(b) The term does not include any of the land on which the residence, townhouse, or condominium unit is located.

(c) Real property described in subsection (a) that is used by the owner as the owner's regular office space may not be considered a model residence for purposes of this chapter. However, this subsection does not prohibit the use of a garage or other space in the real property:

(1) to store or display material used to promote the real property or other similar properties; or

(2) as a space for meetings with prospective buyers or lessees.

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.6-2

Applicability; amount of deduction; termination of deduction on sale of residence

Sec. 2. (a) This section applies only to a model residence that is first assessed as:

(1) a partially completed structure; or

(2) a fully completed structure;

for the assessment date in 2009 or a later year.

(b) Except as provided in subsection (c) and sections 4, 5, and 6 of this chapter, and subject to sections 7 and 8 of this chapter, an owner of a model residence is entitled to a deduction from the assessed value of the model residence in the amount of fifty percent (50%) of the assessed value of the model residence for the following:

(1) Not more than one (1) assessment date for which the model residence is assessed as a partially completed structure.

(2) The assessment date for which the model residence is first assessed as a fully completed structure.

(3) The two (2) assessment dates that immediately succeed the assessment date referred to in subdivision (2).

(c) A deduction allowed for a model residence under this chapter for a particular assessment date is terminated if the model residence is sold:

(1) after the assessment date of that year but before January 1 of the following year; and

(2) to a person who does not continue to use the real property as a model residence.

The county auditor shall immediately mail notice of the termination to the former owner, the property owner, and the township assessor. The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction.

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.6-2.1
Expired

(Expired 1-1-2011 by P.L.167-2009, SEC.1.)

IC 6-1.1-12.6-3
Statement to claim deduction and information required; filing requirement; county auditor duties

Sec. 3. (a) A property owner that qualifies for the deduction under this chapter and that desires to receive the deduction must complete and date a statement containing the information required by subsection (b) in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year, in the manner prescribed in rules adopted under section 9 of this chapter. The township assessor shall verify each statement filed under this section, and the county auditor shall:

(1) make the deductions; and

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

under this section.

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

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

As added by P.L.70-2008, SEC.1. Amended by P.L.183-2014, SEC.17.

IC 6-1.1-12.6-4
Limitation of deduction to three residences; procedure for enforcement

Sec. 4. (a) Subject to section 8 of this chapter, a property owner is entitled to a deduction under this chapter for an assessment date for not more than three (3) model residences in Indiana.

(b) The auditor of a county (referred to in this section as the "first county") with whom a statement is filed under section 3 of this chapter shall immediately prepare and transmit a copy of the statement to the auditor of any other county (referred to in this section as the "second county") if the property owner that claims the deduction owns or is buying a model residence located in the second county.

(c) The county auditor of the second county shall note on the copy of the statement whether the property owner has claimed a deduction for the current year under section 3 of this chapter for a model residence located in the second county. The county auditor shall then return the copy of the statement to the auditor of the first county.

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.6-5
Deduction inapplicable in allocation area

Sec. 5. A property owner may not receive a deduction under this chapter with respect to a model residence located in an allocation area (as defined in IC 6-1.1-21.2-3).

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.6-6
Prohibition against application of the deduction and a deduction under another statute

Sec. 6. A property owner that qualifies for a deduction for a year under this chapter and another statute with respect to the same model residence may not receive a deduction under both statutes for the model residence for that year.

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.6-7
Application of the deduction on change of ownership

Sec. 7. (a) If ownership of the model residence changes:

(1) a new owner that continues to use the property as a model residence may claim the deduction under this chapter; and

(2) the deduction may not be applied for an assessment date other than the assessment dates to which the deduction could have applied under section 2 of this chapter if ownership had not changed.

(b) A person who owns a model residence and claims a deduction under this chapter shall provide to the county auditor a notice that:

(1) informs the auditor of a transfer of the ownership of the model residence; and

(2) indicates whether the new owner is eligible to receive a deduction under this chapter.

The notice required by this subsection must be submitted to the county auditor at the same time that a sales disclosure form is filed under IC 6-1.1-5.5.

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.6-8
Affiliated group limited to three deductions

Sec. 8. The aggregate number of deductions claimed under this chapter for a particular assessment date by the owners of model residences who are a part of an affiliated group may not exceed three (3).

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.6-9
Adoption of rules by the department of local government finance

Sec. 9. The department of local government finance shall adopt rules under IC 4-22-2 to implement this chapter.

As added by P.L.70-2008, SEC.1.

IC 6-1.1-12.7

Chapter 12.7. Deduction for Personal Property Within a Certified Technology Park

IC 6-1.1-12.7-1

"Certified technology park"

Sec. 1. As used in this chapter, "certified technology park" refers to a certified technology park that is:

(1) established under IC 36-7-32; and

(2) certified as of the assessment date for which the deduction under this chapter is claimed.

As added by P.L.113-2010, SEC.28.

IC 6-1.1-12.7-2

"High technology activity"

Sec. 2. As used in this chapter, "high technology activity" has the meaning set forth in IC 36-7-32-7.

As added by P.L.113-2010, SEC.28.

IC 6-1.1-12.7-3

"Qualified personal property"

Sec. 3. As used in this chapter, "qualified personal property" means personal property that is:

(1) assessed for the first time after December 31, 2010;

(2) located within a certified technology park;

(3) primarily used to conduct high technology activity; and

(4) not part of the assessed value for which a personal property tax allocation has been made for the payment of the principal of and interest on bonds or lease rentals under IC 5-28-26, IC 6-1.1-39, IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, IC 36-7-30, IC 36-7-30.5, or IC 36-7-32.

The term does not include personal property that is used primarily for routine administrative purposes such as office communications, accounting, record keeping, and human resources.

As added by P.L.113-2010, SEC.28.

IC 6-1.1-12.7-4

Ordinance authorizing deduction

Sec. 4. (a) A county fiscal body may adopt an ordinance providing that a deduction applies to the assessed value of qualified personal property located in the county. The deduction is equal to one hundred percent (100%) of the assessed value of qualified personal property located in the county for each calendar year specified in the ordinance. An ordinance adopted under this section must be adopted before January 1 of the first assessment year for which a taxpayer may claim a deduction under the ordinance.

(b) An ordinance adopted under subsection (a) must specify the number of assessment years that a deduction is allowed under this chapter. However, a deduction may not be allowed for:

(1) less than two (2) assessment years; or

(2) more than ten (10) assessment years.

(c) The fiscal body shall send a certified copy of the ordinance adopted under subsection (a) to the county assessor, the county auditor, and the Indiana economic development corporation. Subject to this chapter, the fiscal body's determination of the number of years the deduction is allowed is final and may not be changed.

(d) An ordinance adopted under subsection (a) may not allow a deduction for qualified personal property installed after March 1, 2015.

As added by P.L.113-2010, SEC.28.

IC 6-1.1-12.7-5

Review; Indiana economic development corporation

Sec. 5. The Indiana economic development corporation shall review an ordinance adopted under this chapter and determine whether it is in the best interest of the development of the certified technology park to permit the deduction. The Indiana economic development corporation, after conducting a hearing, may approve the ordinance, approve the ordinance with modifications, or disapprove the ordinance. An owner of qualified personal property is eligible for a deduction under this chapter only to the extent permitted under an ordinance (as modified by the Indiana economic development corporation) that is approved under this section.

As added by P.L.113-2010, SEC.28.

IC 6-1.1-12.7-6

Certified deduction schedule; review by county assessor; appeal

Sec. 6. (a) To obtain the deduction under this chapter, an owner of qualified personal property must file a certified deduction schedule with the county assessor in which the qualified personal property is located. The department of local government finance shall prescribe the form of the schedule. A schedule must be filed for each year the deduction is being claimed.

(b) The schedule must be filed with:

(1) a timely personal property return under IC 6-1.1-3-7(a) or IC 6-1.1-3-7(b); or

(2) a timely amended personal property return under IC 6-1.1-3-7.5.

The county assessor shall forward to the county auditor a copy of each schedule filed.

(c) The schedule must contain at least the following information:

(1) The name of the owner of the qualified personal property.

(2) A description of the qualified personal property and the address of the real estate on which it is located.

(3) Documentation that the qualified personal property is located within a certified technology park.

(4) Documentation that the qualified personal property is primarily used to conduct high technology activity.

(d) The deduction applies to the qualified personal property claimed in a schedule. However, the county assessor may:

(1) review the schedule; and

(2) before the March 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction.

If the county assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the schedule or in the amount as altered by the county assessor. A county assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's determination.

(e) A person may appeal a determination by the county assessor to deny or alter the amount of the deduction by requesting in writing, not more than forty-five (45) days after the county assessor gives the person notice of the determination, a meeting with the county assessor. An appeal initiated under this subsection must be processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15. However, the county assessor may not participate in any action the county property tax assessment board of appeals takes with respect to an appeal of a determination by the county assessor.

As added by P.L.113-2010, SEC.28.

IC 6-1.1-12.8

Chapter 12.8. Deduction for Residence in Inventory

IC 6-1.1-12.8-0.5

"Affiliated group"

Sec. 0.5. As used in this chapter, "affiliated group" has the meaning set forth in IC 6-1.1-12.6-0.5.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-1

"Residence in inventory"

Sec. 1. (a) As used in this chapter, "residence in inventory" means real property that:

(1) is not a model residence (as defined in IC 6-1.1-12.6-1); and

(2) consists of any of the following that has never been occupied:

(A) A single family residence.

(B) A single family townhouse.

(C) A single family condominium unit.

(b) The term does not include any of the land on which the residence, townhouse, or condominium unit is located.

(c) Real property described in subsection (a) that is used by the owner as the owner's regular office space may not be considered a residence in inventory for purposes of this chapter. However, this subsection does not prohibit the use of a garage or other space in the real property:

(1) to store or display material used to promote the real property or other similar properties; or

(2) as a space for meetings with prospective buyers or lessees.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-2

"Residential builder"

Sec. 2. As used in this chapter, "residential builder" means a person that builds any of the following for sale in the ordinary course of the person's trade or business:

(1) Single family residences.

(2) Single family townhouses.

(3) Single family condominium units.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-3

Deduction

Sec. 3. (a) This chapter applies only to a residence in inventory that is first assessed as:

(1) a partially completed structure; or

(2) a fully completed structure;

for the assessment date in 2012 or a later year.

(b) Except as provided in subsections (c) and (d) and sections 5 and 6 of this chapter, and subject to section 7 of this chapter, a

residential builder that is the owner of a residence in inventory is entitled to a deduction from the assessed value of the residence in inventory in the amount of fifty percent (50%) of the assessed value of the residence in inventory for the following:

(1) Not more than one (1) assessment date for which the residence in inventory is assessed as a partially completed structure.

(2) The assessment date for which the residence in inventory is first assessed as a fully completed structure.

(3) The two (2) assessment dates that immediately succeed the assessment date referred to in subdivision (2).

(c) A deduction allowed for a residence in inventory under this chapter for a particular assessment date is terminated if title to the residence in inventory is transferred:

(1) after the assessment date of that year but before January 1 of the following year; and

(2) to a person for whom the real property does not qualify as a residence in inventory.

The county auditor shall immediately mail notice of the termination to the former owner, the property owner, and the township assessor (or the county assessor if there is no township assessor for the township). The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction.

(d) A deduction for a residence in inventory under this chapter does not apply for a particular assessment date if the residence in inventory is leased for any purpose for any part of the calendar year in which the assessment date occurs.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-4

Required statement

Sec. 4. (a) A property owner that qualifies for the deduction under this chapter and that desires to receive the deduction must complete and date a statement containing the information required by subsection (b) in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year, in the manner prescribed in rules adopted under section 8 of this chapter. The township assessor, or the county assessor if there is no township assessor for the township, shall verify each statement filed under this section, and the county auditor shall:

(1) make the deductions; and

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

under this section.

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

(1) The assessed value of the real property for which the person

is claiming the deduction.

(2) The full name and complete business address of the person claiming the deduction.

(3) The complete address and a brief description of the real property for which the person is claiming the deduction.

(4) The name of any other county in which the person has applied for a deduction under this chapter for that assessment date.

(5) The complete address and a brief description of any other real property for which the person has applied for a deduction under this chapter for that assessment date.

(6) An affirmation by the owner that the owner is receiving not more than three (3) deductions under this chapter, including the deduction being applied for by the owner, either:

(A) as the owner of the residence in inventory; or

(B) as an owner that is part of an affiliated group.

(7) An affirmation that the real property has not been leased and will not be leased for any purpose during the term of the deduction.

As added by P.L.175-2011, SEC.2. Amended by P.L.183-2014, SEC.18.

IC 6-1.1-12.8-5

Allocation area; deduction disallowed

Sec. 5. A property owner may not receive a deduction under this chapter with respect to a residence in inventory located in an allocation area (as defined in IC 6-1.1-21.2-3).

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-6

Restriction on deductions under multiple statutes

Sec. 6. A property owner that qualifies for a deduction for a year under this chapter and another statute with respect to the same residence in inventory may not receive a deduction under both statutes for the residence in inventory for that year.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-7

Change in ownership

Sec. 7. (a) If ownership of the residence in inventory changes:

(1) a new owner that is a residential builder for which the property is a residence in inventory may claim the deduction under this chapter; and

(2) the deduction may not be applied for an assessment date other than the assessment dates to which the deduction could have applied under section 3 of this chapter if ownership had not changed.

(b) A person who owns a residence in inventory and claims a deduction under this chapter shall provide to the county auditor a notice that:

(1) informs the auditor of a transfer of the ownership of the residence in inventory; and

(2) indicates whether the new owner is eligible to receive a deduction under this chapter.

The notice required by this subsection must be submitted to the county auditor at the same time that a sales disclosure form is filed under IC 6-1.1-5.5.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-8

Authorization to adopt rules

Sec. 8. The department of local government finance shall adopt rules and may adopt emergency rules under IC 4-22-2 to implement this chapter.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-9

Limit on number of residences in inventory

Sec. 9. (a) Subject to section 10 of this chapter, a property owner is entitled to a deduction under this chapter for an assessment date for not more than three (3) residences in inventory in Indiana.

(b) The auditor of a county (referred to in this section as the "first county") with whom a statement is filed under section 4 of this chapter shall immediately prepare and transmit a copy of the statement to the auditor of any other county (referred to in this section as the "second county") if the property owner that claims the deduction owns or is buying a residence in inventory located in the second county.

(c) The county auditor of the second county shall note on the copy of the statement whether the property owner has claimed a deduction for the current year under section 4 of this chapter for a residence in inventory located in the second county. The county auditor shall then return the copy of the statement to the auditor of the first county.

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.8-10

Affiliated group limit

Sec. 10. The aggregate number of deductions claimed under this chapter for a particular assessment date by the owners of residences in inventory who are a part of an affiliated group may not exceed three (3).

As added by P.L.175-2011, SEC.2.

IC 6-1.1-12.9

Chapter 12.9. Legalization of Certain Actions Taken Under IC 6-1.1-12.1

IC 6-1.1-12.9-1

Application of section; legalization of certain actions of designating body after September 1, 1992, and before December 31, 1993

Sec. 1. (a) This section applies to the town of Mooresville.

(b) Notwithstanding any other law, a designating body's actions taken after September 1, 1992, and before December 31, 1993, in:

(1) designating an economic revitalization area; or

(2) approving a statement of benefits after the initiation of the installation of new manufacturing equipment for which the person desires to claim a deduction under this chapter;

are legalized and validated.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.22.

IC 6-1.1-12.9-2

Legalization of certain actions of designating body after February 1, 1991, and before December 31, 1993

Sec. 2. (a) As used in this section, "designating body" and "economic revitalization area" have the meanings set forth in IC 6-1.1-12.1-1 (as in effect before July 1, 1995).

(b) Notwithstanding any other law, a designating body's actions taken after February 1, 1991, and before July 1, 1995, in:

(1) designating an economic revitalization area; or

(2) approving a statement of benefits or making required findings of fact after the initiation of the:

(A) redevelopment;

(B) installation of new manufacturing equipment; or

(C) rehabilitation;

for which the person desires to claim a deduction under IC 6-1.1-12.1;

are legalized and validated.

As added by P.L.220-2011, SEC.122.

IC 6-1.1-12.9-3

Application of section; legalization of certain actions of designating body relating to certain deductions

Sec. 3. (a) This section applies to rehabilitation or redevelopment that:

(1) was initiated after January 1, 1993, and before January 1, 1994; and

(2) is in the city of Rensselaer.

(b) The definitions in IC 6-1.1-12.1-1 (as in effect before May 10, 1995) apply throughout this section.

(c) Notwithstanding section IC 6-1.1-12.1-3 (as in effect before May 10, 1995), the:

(1) designation or enlargement of an economic revitalization

area;

(2) submission of a statement of benefits; and

(3) designating body's approval of the statement of benefits;

after the initiation of the rehabilitation or redevelopment for which a deduction is claimed under IC 6-1.1-12.1 (as in effect before May 10, 1995) are legalized and validated for deductions claimed for 1994 and subsequent assessment years.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.23.

IC 6-1.1-12.9-4

Legalization of certain designating body's actions in a consolidated city after February 1, 1991, and before January 1, 1993

Sec. 4. (a) This section applies to a consolidated city.

(b) The definitions in IC 6-1.1-12.1-1 (as in effect before December 31, 1992) apply throughout this section.

(c) Notwithstanding any other law, a designating body's actions taken after February 1, 1991, and before January 1, 1993, in designating an economic revitalization area are legalized and validated.

(d) The installation of new manufacturing equipment after February 1, 1991, is eligible for the deduction provided under IC 6-1.1-12.1 (as in effect before December 31, 1992) for property taxes first due and payable after December 31, 1992, as granted by resolution adopted by the designating body for the economic revitalization area.

As added by P.L.220-2011, SEC.122.

IC 6-1.1-12.9-5

City of Winchester; legalization of designating body's actions taken before May 31, 1992, in designating an economic revitalization area

Sec. 5. (a) This section applies to the city of Winchester.

(b) The definitions in IC 6-1.1-12.1-1 (as in effect before December 31, 1992) apply throughout this section.

(c) Notwithstanding any other law, a designating body's actions taken before May 31, 1992, in designating an economic revitalization area are legalized and validated.

(d) The installation of new manufacturing equipment after March 1, 1991, is eligible for the deduction provided under IC 6-1.1-12.1 (as in effect before December 31, 1992) for property taxes first due and payable after December 31, 1992, as granted by resolution adopted by the designating body for the economic revitalization area.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.24.

IC 6-1.1-12.9-6

Statement of benefits not required of certain taxpayers to qualify for the economic revitalization area deduction

Sec. 6. (a) This section applies to a taxpayer that:

(1) is located in an economic revitalization area declared under

IC 6-1.1-12.1 (as in effect before December 31, 1992) in the city of East Chicago; and

(2) with respect to new manufacturing equipment installed by the taxpayer in the economic revitalization area after March 2, 1991, and before March 1, 1992, filed a statement of benefits under IC 6-1.1-12.1-4.5 (as in effect before December 31, 1992) after March 1, 1992, with the designating body for the economic revitalization area.

(b) The definitions in IC 6-1.1-12.1-1 (as in effect before December 31, 1992) apply throughout this section.

(c) Notwithstanding IC 6-1.1-12.1-4.5 (as in effect before December 31, 1992), a statement of benefits is not required of a taxpayer to qualify for the economic revitalization area deduction under IC 6-1.1-12.1 (as in effect before December 31, 1992) with respect to the new manufacturing equipment described in subsection (a).

(d) This section applies to property taxes due and payable after December 31, 1992.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.25.

IC 6-1.1-12.9-7

Bartholomew County, Floyd County, Kosciusko County, Morgan County; legalization of designating body actions taken after February 28, 1993, and before July 1, 1995

Sec. 7. (a) This section applies to Morgan County, Bartholomew County, Floyd County, and Kosciusko County.

(b) Notwithstanding any other law, a designating body's actions taken after July 1, 1991, and before December 31, 1992, in:

(1) designating an economic revitalization area; or

(2) approving a statement of benefits;

after the initiation of the installation of new manufacturing equipment for which a person desires to claim a deduction under IC 6-1.1-12.1 (as in effect before May 10, 1995) are legalized and validated.

(c) Notwithstanding any other law, a designating body's actions taken after February 28, 1993, and before July 1, 1995:

(1) designating an economic revitalization area;

(2) approving a statement of benefits; or

(3) retroactively approving a statement of benefits;

after initiation of the installation of new manufacturing equipment or rehabilitation or redevelopment of real property for which a person desires to claim a deduction under IC 6-1.1-12.1 (as in effect before May 10, 1995) are legalized and validated.

(d) Notwithstanding any other law, a designating body's action taken after February 28, 1993, and before July 1, 1995, incorporating the information required in the statement of benefits in the designating body's findings of fact made in support of designating an area as an economic revitalization area or approving a deduction under IC 6-1.1-12.1 (as in effect before May 10, 1995) is legalized and validated and shall be treated as if the applicant provided the

statement of benefits before the final action taken by the designating body.

(e) Notwithstanding any other law, a review shall be made of timely filed deduction applications for actions legalized and validated under this section for the purpose of granting deductions under IC 6-1.1-12.1 (as in effect before May 10, 1995) for assessment years after 1991.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.26.

IC 6-1.1-12.9-8

Eligibility for certain tax deductions notwithstanding failure to take certain actions

Sec. 8. (a) This section applies only to property that is located in the town of Remington.

(b) The definitions in IC 6-1.1-12.1 (as in effect before January 1, 1994) apply throughout this section.

(c) A taxpayer that is otherwise eligible for a tax deduction under IC 6-1.1-12.1 (as in effect before January 1, 1994) but failed to:

(1) designate or expand the boundaries of an economic revitalization area;

(2) file a statement of benefits or other information with the designating body;

(3) have a statement of benefits approved by a designating body;

(4) have a deduction under IC 6-1.1-12.1 (as in effect before January 1, 1994) granted by a designating body; or

(5) have the designating body make the findings of fact required under IC 6-1.1-12.1 (as in effect before January 1, 1994);

before installing new manufacturing equipment or initiating redevelopment or rehabilitation in an economic revitalization area is entitled to a tax deduction under IC 6-1.1-12.1 (as in effect before January 1, 1994) on property for assessment years after 1993 to the same extent as if the taxpayer had installed new manufacturing equipment or initiated redevelopment or rehabilitation after the actions described in subdivisions (1) through (5).

(d) The state board of tax commissioners and the county auditor in the county where the property is located shall approve the taxpayer's application for a deduction under IC 6-1.1-12.1 (as in effect before January 1, 1994) on the property as soon as feasible after May 10, 1995.

(e) This section applies only to property taxes first due and payable after 1994.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.27.

IC 6-1.1-12.9-9

City of Shelbyville; legalization of designating body actions taken after July 1, 1991, and before December 31, 1992

Sec. 9. (a) This section applies to the city of Shelbyville.

(b) The definitions in IC 6-1.1-12.1 (as in effect before May 10,

1995) apply throughout this section.

(c) Notwithstanding any other law, a designating body's actions taken after July 1, 1991, and before December 31, 1992, in:

(1) designating an economic revitalization area; or

(2) approving a statement of benefits;

after the initiation of the installation of new manufacturing equipment for which a person desires to claim a deduction under IC 6-1.1-12.1 (as in effect before May 10, 1995) are legalized and validated.

(d) Notwithstanding any other law, a review shall be made of timely filed deduction applications for actions legalized and validated under this section for the purpose of granting deductions under IC 6-1.1-12.1 (as in effect before May 10, 1995) for assessment years after 1991.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.28.

IC 6-1.1-12.9-10

Benton County; legalization of designating body actions taken before December 31, 1994

Sec. 10. (a) This section applies to Benton County.

(b) The definitions in IC 6-1.1-12.1-1 (as in effect before May 10, 1995) apply throughout this section.

(c) Notwithstanding any other law, a designating body's actions taken before December 31, 1994, in:

(1) designating an economic revitalization area; or

(2) approving a statement of benefits;

after the initiation of the installation of new manufacturing equipment or after the initiation of the rehabilitation or redevelopment of real estate for which a person desires to claim a deduction under IC 6-1.1-12.1 (as in effect before May 10, 1995) are legalized and validated.

As added by P.L.220-2011, SEC.122. Amended by P.L.119-2012, SEC.29.

IC 6-1.1-13

Chapter 13. Review of Current Assessments by County Property Tax Assessment Board of Appeals

IC 6-1.1-13-1

Powers of board; notice of review

Sec. 1. The powers granted to each county property tax assessment board of appeals under this chapter apply only to the tangible property assessments made with respect to the last preceding assessment date. Before a county property tax assessment board of appeals changes any valuation or adds any tangible property and the value of it to a return or the assessment rolls under this chapter, the board shall give prior notice by mail to the taxpayer. The notice must state a time when and place where the taxpayer may appear before the board. The time stated in the notice must be at least thirty (30) days after the date the notice is mailed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.60; P.L.146-2012, SEC.3.

IC 6-1.1-13-2

County assessment lists; recommendations for alterations

Sec. 2. When the county property tax assessment board of appeals convenes, the county auditor shall submit to the board the assessment list of the county for the current year as returned by the township assessors (if any) and as amended and returned by the county assessor. The county assessor shall make recommendations to the board for corrections and changes in the returns and assessments. The board shall consider and act upon all the recommendations.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.64, SEC.3; P.L.12-1992, SEC.18; P.L.84-1995, SEC.4; P.L.6-1997, SEC.61; P.L.146-2008, SEC.133.

IC 6-1.1-13-3

Additions of undervalued or omitted property to list

Sec. 3. A county property tax assessment board of appeals shall, on its own motion or on sufficient cause shown by any person, add to the assessment lists the names of persons, the correct assessed value of undervalued or omitted personal property, and the description and correct assessed value of real property undervalued on or omitted from the lists.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.62.

IC 6-1.1-13-4

Correction of errors in assessment list

Sec. 4. A county property tax assessment board of appeals shall correct any errors in the names of persons, in the description of tangible property, and in the assessed valuation of tangible property appearing on the assessment lists. In addition, the board shall do whatever else may be necessary to make the assessment lists and

returns comply with the provisions of this article and the rules and regulations of the department of local government finance.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.63; P.L.90-2002, SEC.126.

IC 6-1.1-13-5
Reduction or increase of assessed value

Sec. 5. A county assessor shall reduce or increase the assessed value of any tangible property in order to attain a just and equal basis of assessment between the taxpayers of the county.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.64.

IC 6-1.1-13-6
Equalization among townships; equalization under a county reassessment plan

Sec. 6. (a) A county assessor shall inquire into the assessment of the classes of tangible property in the various townships of the county after March 1 in the year in which a general reassessment under IC 6-1.1-4-4 becomes effective. The county assessor shall make any changes, whether increases or decreases, in the assessed values which are necessary in order to equalize these values in and between the various townships of the county. In addition, the county assessor shall determine the percent to be added to or deducted from the assessed values in order to make a just, equitable, and uniform equalization of assessments in and between the townships of the county.

(b) A county assessor shall inquire into the assessment of the classes of tangible property in the group of parcels under a county's reassessment plan prepared under IC 6-1.1-4-4.2 after March 1 in the year in which the reassessment of tangible property in that group of parcels becomes effective. The county assessor shall make any changes, whether increases or decreases, in the assessed values that are necessary in order to equalize these values in that group. In addition, the county assessor shall determine the percent to be added to or deducted from the assessed values in order to make a just, equitable, and uniform equalization of assessments in that group.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.65; P.L.256-2003, SEC.8; P.L.112-2012, SEC.30.

IC 6-1.1-13-7
Equalization hearings

Sec. 7. If a county assessor proposes to change assessments under section 6 of this chapter, the property tax assessment board of appeals shall hold a hearing on the proposed changes before July 15 in the year in which the reassessment is to commence. It is sufficient notice of the hearing and of any changes in assessments ordered by the board subsequent to the hearing if the board gives notice by publication once either in:

(1) two (2) newspapers which represent different political

parties and which are published in the county; or

(2) one (1) newspaper only, if two (2) newspapers which represent different political parties are not published in the county.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.66; P.L.112-2012, SEC.31.

IC 6-1.1-13-8

Aggregate township adjustments; limitations on adjustments; setting aside

Sec. 8. A county assessor may not reduce the aggregate assessment of all the townships of the county below a just, equitable, and uniform assessment. A county assessor may not increase the aggregate assessment beyond the amount actually necessary for a proper and just equalization of assessments. If the county assessor finds that the aggregate assessment of a township is too high or too low or that it is generally so unequal as to render it impracticable to equalize the aggregate assessment, the county assessor may set aside the assessment of the township and order or conduct a new assessment. To order or conduct a new assessment, the county assessor must give notice and hold a hearing in the same manner as required under section 7 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.67.

IC 6-1.1-13-9

Repealed

(Repealed by P.L.69-1983, SEC.12.)

IC 6-1.1-13-10

Repealed

(Repealed by P.L.69-1983, SEC.12.)

IC 6-1.1-13-11

Repealed

(Repealed by P.L.69-1983, SEC.12.)

IC 6-1.1-13-12

Limitation on altering assessed valuation of personal property

Sec. 12. If a taxpayer's personal property return for a year substantially complies with the provisions of this article and the regulations of the department of local government finance, the county property tax assessment board of appeals may change the assessed value claimed by the taxpayer on the return only within the time period prescribed in IC 6-1.1-16-1.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.68; P.L.90-2002, SEC.127.

IC 6-1.1-14

Chapter 14. Review of Assessments by the Department of Local Government Finance

IC 6-1.1-14-1

Repealed

(Repealed by P.L.37-1992, SEC.10.)

IC 6-1.1-14-2

Repealed

(Repealed by P.L.219-2007, SEC.150.)

IC 6-1.1-14-3

Repealed

(Repealed by P.L.219-2007, SEC.150.)

IC 6-1.1-14-4

Review county assessment; hearing

Sec. 4. The department of local government finance shall review the assessments of all tangible property made by the various counties of this state. If the department of local government finance determines that the assessment of a county appears to be improper, the department shall mail a certified notice to the auditor of the county informing the auditor of the department's determination to consider the modification of that county's assessment. The notice shall state whether the modification to be considered is related to real property, personal property, or both. The notice shall also state a day, at least ten (10) days after the day the notice is mailed, when a hearing on the assessment will be held. In addition to the notice to the county auditor, the department of local government finance shall give the notice, if any, required under section 9(a) of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.130.

IC 6-1.1-14-5

Equalizing assessed value; order

Sec. 5. (a) After holding the hearings referred to in section 4 of this chapter, the department of local government finance shall, in order to equalize assessed values in any county or in the state as a whole, issue an order increasing or decreasing assessed values of any tangible property if the department finds:

(1) that the assessed values in any county are not uniform and equal as to townships, portions of the same township, or classes of property; or

(2) that the assessed values in this state are not uniform and equal either as between counties or as to classes of property.

(b) The department of local government finance may not issue an equalization order to increase or decrease assessed values under this section more than twelve (12) months after the county estimates of assessed valuation required under IC 6-1.1-17-1(a) are filed with the

department.

(c) If the department of local government finance issues an equalization order under this section, the department shall state in the order the percentage to be added to or deducted from the assessed value of the tangible property affected by the order.

(d) In issuing an equalization order under this section, the department of local government finance may not reduce or increase the aggregate assessed values of any township beyond the amounts actually necessary for a just and proper equalization of assessments within the entire state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.69-1983, SEC.3; P.L.24-1986, SEC.15; P.L.37-1992, SEC.3; P.L.6-1997, SEC.69; P.L.90-2002, SEC.131; P.L.154-2006, SEC.38.

IC 6-1.1-14-6

Equalization orders; copies

Sec. 6. If the department of local government finance issues an equalization order under section 5 of this chapter, the department shall mail certified copies of the order to the auditor and the sheriff of each county affected by the order. The department of local government finance shall mail the copies within five (5) days after the equalization order is adopted. Each county sheriff shall immediately post a copy of the equalization order in the county courthouse at the place customarily used for posting public notices. If the department of local government finance issues an equalization order under section 5 of this chapter, the department shall also give the notice required under section 9(b) of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.132.

IC 6-1.1-14-7

Petitions for review of equalization order

Sec. 7. The county assessor, a township assessor (if any), or ten (10) or more taxpayers who are affected by an equalization order issued under section 5 of this chapter may file a petition for review of the order with the county auditor of the county to which the equalization order is issued. The petition must be filed within ten (10) days after notice of the order is given under section 9 of this chapter. The petition shall set forth, in the form and detail prescribed by the department of local government finance, the objections to the equalization order.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.74-1987, SEC.9; P.L.6-1997, SEC.70; P.L.90-2002, SEC.133; P.L.146-2008, SEC.134.

IC 6-1.1-14-8

Review equalization order by department of local government finance; hearing; determination; appeal

Sec. 8. (a) If a petition for review of an equalization order is filed with a county auditor under section 7 of this chapter, the county

auditor shall immediately mail a certified copy of the petition and any information relevant to the petition to the department of local government finance. Within a reasonable period of time, the department of local government finance shall fix a date for a hearing on the petition. The hearing shall be held in the county to which the equalization order has been directed. At least three (3) days before the date fixed for the hearing, the department of local government finance shall give notice of the hearing by mail to the township assessor (if any) and the county assessor whose assessment is affected by the order and to the first ten (10) taxpayers whose names appear on the petition for review at the addresses listed by those taxpayers on the petition. In addition, the department of local government finance shall give the notice, if any, required under section 9(a) of this chapter.

(b) After the hearing required by subsection (a), the department of local government finance may affirm, modify, or set aside its equalization order. The department shall certify its action with respect to the order to the county auditor. The county auditor shall immediately make any changes in the assessed values required by the action of the department of local government finance.

(c) A person whose name appears on the petition for review may petition for judicial review of the final determination of the department of local government finance under subsection (b). The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (b).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.23; P.L.90-2002, SEC.134; P.L.256-2003, SEC.9; P.L.146-2008, SEC.135.

IC 6-1.1-14-9

Notice of hearing to taxpayers

Sec. 9. (a) If a hearing is required under section 4 or section 8 of this chapter, the department of local government finance shall give notice to the taxpayers of each county for which the department is to consider an increase in the assessments. The notice shall state the time, place, and object of the public hearing on the assessments. The department of local government finance shall give the notice in the manner prescribed in subsection (c).

(b) If an equalization order is issued under section 5 of this chapter, the department of local government finance shall give notice of the order to the taxpayers of each county to which the order is directed. The department of local government finance shall give the notice in the manner provided in subsection (c). The notice required by this subsection is in lieu of the notices required by IC 6-1.1-3-20 or IC 6-1.1-4-22.

(c) A notice required by this section shall be published once in:

(1) two (2) newspapers of general circulation published in the county; or

(2) one (1) newspaper of general circulation published in the county if two (2) newspapers of general circulation are not

published in the county.

If there are no newspapers of general circulation published in the county, the notice shall be given by posting a statement of the time, place, and object of the hearing in the county courthouse at the usual place for posting public notices. The published or posted notice of a hearing shall be given at least ten (10) days before the time fixed for the hearing.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.135; P.L.146-2008, SEC.136.

IC 6-1.1-14-10

Review or reassessment by department of local government finance at any time

Sec. 10. The department of local government finance may at any time review the assessment or reassessment of any tangible property and may reassess the property. Any change in an assessment is subject to the requirements and limitations prescribed in section 11 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.136.

IC 6-1.1-14-11

Notice of hearing to taxpayers; notice of fund determination; appeal

Sec. 11. The department of local government finance shall give notice by mail to a taxpayer whose assessment is to be reviewed under section 10 of this chapter. The notice shall state the time, place, and object of a hearing on the assessment. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed. After the hearing, the department of local government finance shall assess the property in question and mail a certified notice of its final determination to the appropriate county auditor. In addition, the department of local government finance shall notify the taxpayer by mail of its final determination. An assessment or reassessment may not be made under this section unless notice of the final determination of the department of local government finance is given to the taxpayer within the same time period prescribed, in IC 6-1.1-9-3 or IC 6-1.1-9-4, for giving an assessment adjustment notice. A taxpayer may initiate an appeal of the department's final determination by filing a petition with the Indiana board not more than forty-five (45) days after the department gives the taxpayer notice of the final determination.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.137; P.L.256-2003, SEC.10.

IC 6-1.1-14-12

Assessment studies in certain townships; review by department of local government finance

Sec. 12. (a) As part of the review under IC 6-1.1-33.5-3(4) and IC 6-1.1-33.5-3(5) of the coefficient of dispersion study and property

sales assessment ratio study submitted by a county under 50 IAC 27-4-4, the department of local government finance shall conduct the review and analysis described in this section.

(b) The department shall:

(1) conduct its review and analysis for studies submitted in 2013 through 2017; and

(2) review and analyze only data and studies for property that is classified as improved residential property in townships having a population of more than one hundred thirty thousand (130,000).

(c) The department shall separate each township described in subsection (b) into four (4) comparable groups of parcels as determined by the department. The department shall:

(1) separately review and analyze for each group of parcels data used for the coefficient of dispersion study and the property sales assessment ratio study submitted by the county; and

(2) prepare a coefficient of dispersion study and a property sales assessment ratio study for each group of parcels.

As added by P.L.257-2013, SEC.5.

IC 6-1.1-15

Chapter 15. Procedures for Review and Appeal of Assessment and Correction of Errors

IC 6-1.1-15-0.3

Transfer of certain petitions for review to Indiana board of tax review; governing law

Sec. 0.3. Petitions for review filed under section 3 of this chapter with respect to notices of action of the county property tax assessment board of appeals issued before January 1, 2002, that are pending before the state board of tax commissioners on December 31, 2001:

(1) are transferred to the Indiana board of tax review; and

(2) are subject to the law in effect before amendments under P.L.198-2001.

The state board of tax commissioners shall transfer to the Indiana board of tax review by January 1, 2002, the records relating to each petition for review referred to in this section.

As added by P.L.220-2011, SEC.123.

IC 6-1.1-15-0.5

"County board"

Sec. 0.5. As used in this chapter, "county board" means the county property tax assessment board of appeals.

As added by P.L.219-2007, SEC.37.

IC 6-1.1-15-0.6

Property tax assessment repeals for assessment dates in 2002, 2003, or 2004; filing petition; requirements

Sec. 0.6. (a) This section applies only to the appeal of an assessment of real property.

(b) Notwithstanding section 1(b)(2), 1(c), and 1(d) of this chapter, in order to appeal an assessment of real property and have a change in the assessment effective for the assessment date in 2002, 2003, or 2004, the taxpayer must, in the manner provided by section 1 of this chapter, as amended by P.L.1-2004, file a written request for a preliminary conference with the township assessor not later than forty-five (45) days after:

(1) a notice of a change of assessment for the assessment date is given to the taxpayer; or

(2) the taxpayer receives a tax statement for the property taxes that are based on the assessment for the assessment date;

whichever occurs first.

(c) An appeal of a taxpayer under subsection (b) must comply with all other requirements applicable to an appeal under this chapter, except that the provisions of section 1(b)(2), 1(c), and 1(d) of this chapter that prohibit appeals of:

(1) an assessment for an assessment date in 2002 that is filed after May 10, 2002, apply to property taxes imposed for that assessment date;

(2) an assessment for an assessment date in 2003 that is filed after May 10, 2003, apply to property taxes imposed for that assessment date; or

(3) an assessment for an assessment date in 2004 that is filed after May 10, 2004, apply to property taxes imposed for that assessment date.

As added by P.L.220-2011, SEC.124.

IC 6-1.1-15-1

Review of certain actions by the county property tax assessment board of appeals; procedures; penalties

Sec. 1. (a) A taxpayer may obtain a review by the county board of a county or township official's action with respect to either or both of the following:

(1) The assessment of the taxpayer's tangible property.

(2) A deduction for which a review under this section is authorized by any of the following:

(A) IC 6-1.1-12-25.5.

(B) IC 6-1.1-12-28.5.

(C) IC 6-1.1-12-35.5.

(D) IC 6-1.1-12.1-5.

(E) IC 6-1.1-12.1-5.3.

(F) IC 6-1.1-12.1-5.4.

(b) At the time that notice of an action referred to in subsection (a) is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for a review under this section, including a preliminary informal meeting under subsection (h)(2) with the county or township official referred to in this subsection; and

(2) the procedures the taxpayer must follow in order to obtain a review under this section.

(c) In order to obtain a review of an assessment or deduction effective for the assessment date to which the notice referred to in subsection (b) applies, the taxpayer must file a notice in writing with the county or township official referred to in subsection (a) not later than forty-five (45) days after the date of the notice referred to in subsection (b).

(d) A taxpayer may obtain a review by the county board of the assessment of the taxpayer's tangible property effective for an assessment date for which a notice of assessment is not given as described in subsection (b). To obtain the review, the taxpayer must file a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. The right of a taxpayer to obtain a review under this subsection for an assessment date for which a notice of assessment is not given does not relieve an assessing official of the duty to provide the taxpayer with the notice of assessment as otherwise required by this article. The notice to obtain a review must be filed not later than the later of:

(1) May 10 of the year; or

(2) forty-five (45) days after the date of the tax statement mailed

by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment.

(e) A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (d) after the time prescribed in subsection (d) becomes effective for the next assessment date. A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (c) or (d) remains in effect from the assessment date for which the change is made until the next assessment date for which the assessment is changed under this article.

(f) The written notice filed by a taxpayer under subsection (c) or (d) must include the following information:

(1) The name of the taxpayer.

(2) The address and parcel or key number of the property.

(3) The address and telephone number of the taxpayer.

(g) The filing of a notice under subsection (c) or (d):

(1) initiates a review under this section; and

(2) constitutes a request by the taxpayer for a preliminary informal meeting with the official referred to in subsection (a).

(h) A county or township official who receives a notice for review filed by a taxpayer under subsection (c) or (d) shall:

(1) immediately forward the notice to the county board; and

(2) attempt to hold a preliminary informal meeting with the taxpayer to resolve as many issues as possible by:

(A) discussing the specifics of the taxpayer's assessment or deduction;

(B) reviewing the taxpayer's property record card;

(C) explaining to the taxpayer how the assessment or deduction was determined;

(D) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or deduction;

(E) noting and considering objections of the taxpayer;

(F) considering all errors alleged by the taxpayer; and

(G) otherwise educating the taxpayer about:

(i) the taxpayer's assessment or deduction;

(ii) the assessment or deduction process; and

(iii) the assessment or deduction appeal process.

(i) Not later than ten (10) days after the informal preliminary meeting, the official referred to in subsection (a) shall forward to the county auditor and the county board the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The form must indicate the following:

(1) If the taxpayer and the official agree on the resolution of all assessment or deduction issues in the review, a statement of:

(A) those issues; and

(B) the assessed value of the tangible property or the amount of the deduction that results from the resolution of those issues in the manner agreed to by the taxpayer and the

official.

(2) If the taxpayer and the official do not agree on the resolution of all assessment or deduction issues in the review:

(A) a statement of those issues; and

(B) the identification of:

(i) the issues on which the taxpayer and the official agree; and

(ii) the issues on which the taxpayer and the official disagree.

(j) If the county board receives a form referred to in subsection (i)(1) before the hearing scheduled under subsection (k):

(1) the county board shall cancel the hearing;

(2) the county official referred to in subsection (a) shall give notice to the taxpayer, the county board, the county assessor, and the county auditor of the assessment or deduction in the amount referred to in subsection (i)(1)(B); and

(3) if the matter in issue is the assessment of tangible property, the county board may reserve the right to change the assessment under IC 6-1.1-13.

(k) If:

(1) subsection (i)(2) applies; or

(2) the county board does not receive a form referred to in subsection (i) not later than one hundred twenty (120) days after the date of the notice for review filed by the taxpayer under subsection (c) or (d);

the county board shall hold a hearing on a review under this subsection not later than one hundred eighty (180) days after the date of that 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 and the county or township official with whom the taxpayer filed the notice for review. The taxpayer and the county or township official with whom the taxpayer filed the notice for review are parties to the proceeding before the county board. A taxpayer may request a continuance of the hearing by filing, at least twenty (20) days before the hearing date, a request for continuance with the board and the county or township official with evidence supporting a just cause for the continuance. The board shall, not later than ten (10) days after the date the request for a continuance is filed, either find that the taxpayer has demonstrated a just cause for a continuance and grant the taxpayer the continuance, or deny the continuance. A taxpayer may request that the board take action without the taxpayer being present and that the board make a decision based on the evidence already submitted to the board by filing, at least eight (8) days before the hearing date, a request with the board and the county or township official. A taxpayer may withdraw a petition by filing, at least eight (8) days before the hearing date, a notice of withdrawal with the board and the county or township official.

(l) At the hearing required under subsection (k):

(1) the taxpayer may present the taxpayer's reasons for disagreement with the assessment or deduction; and

(2) the county or township official with whom the taxpayer filed the notice for review must present:

(A) the basis for the assessment or deduction decision; and

(B) the reasons the taxpayer's contentions should be denied.

A penalty of fifty dollars ($50) shall be assessed against the taxpayer if the taxpayer or representative fails to appear at the hearing and, under subsection (k), the taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without the taxpayer being present, 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 official referred to in subsection (a) may not require the taxpayer to provide documentary evidence at the preliminary informal meeting under subsection (h). The county board may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (k). If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

(1) Initiate the review.

(2) Prosecute the review.

(n) The county board shall prepare a written decision resolving all of the issues under review. The county board shall, by mail, give notice of its determination not later than one hundred twenty (120) days after the hearing under subsection (k) to the taxpayer, the official referred to in subsection (a), the county assessor, and the county auditor.

(o) If the maximum time elapses:

(1) under subsection (k) for the county board to hold a hearing; or

(2) under subsection (n) for the county board to give notice of its determination;

the taxpayer may initiate a proceeding for review before the Indiana board by taking the action required by section 3 of this chapter at any time after the maximum time elapses.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.70, SEC.1; P.L.74-1987, SEC.10; P.L.41-1993, SEC.11; P.L.6-1997, SEC.71; P.L.198-2001, SEC.41; P.L.178-2002, SEC.18; P.L.1-2004, SEC.13 and P.L.23-2004, SEC.14; P.L.199-2005, SEC.6; P.L.162-2006, SEC.2; P.L.219-2007, SEC.38; P.L.1-2008, SEC.1; P.L.146-2008, SEC.137; P.L.136-2009, SEC.5; P.L.182-2009(ss), SEC.111; P.L.172-2011, SEC.30; P.L.146-2012, SEC.4; P.L.257-2013, SEC.6.

IC 6-1.1-15-2
Repealed

(Repealed by Acts 1978, P.L.8, SEC.6.)

IC 6-1.1-15-2.1
Repealed

(Repealed by P.L.219-2007, SEC.149.)

IC 6-1.1-15-3
Review by Indiana board; initiation by petition of taxpayer or county assessor; petition deadline and form; appraisal not required; decision

Sec. 3. (a) A taxpayer may obtain a review by the Indiana board of a county board's action with respect to the following:

(1) The assessment of that taxpayer's tangible property if the county board's action requires the giving of notice to the taxpayer.

(2) The exemption of that taxpayer's tangible property if the taxpayer receives a notice of an exemption determination by the county board under IC 6-1.1-11-7.

(b) The county assessor is the party to the review under this section to defend the determination of the county board. At the time the notice of that determination is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the taxpayer's opportunity for review under this section; and

(2) the procedures the taxpayer must follow in order to obtain review under this section.

(c) A county assessor who dissents from the determination of an assessment or an exemption by the county board may obtain a review of the assessment or the exemption by the Indiana board.

(d) In order to obtain a review by the Indiana board under this section, the party must, not later than forty-five (45) days after the date of the notice given to the party or parties of the determination of the county board:

(1) file a petition for review with the Indiana board; and

(2) mail a copy of the petition to the other party.

(e) The Indiana board shall prescribe the form of the petition for review of an assessment determination or an exemption by the county board. The Indiana board shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. A petition for review of such a determination must be made on the form prescribed by the Indiana board. The form must require the petitioner to specify the reasons why the petitioner believes that the assessment determination or the exemption determination by the county board is erroneous.

(f) If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

(1) Initiate the review.

(2) Prosecute the review.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.70, SEC.3; P.L.74-1987, SEC.12; P.L.41-1993, SEC.13;

P.L.6-1997, SEC.73; P.L.198-2001, SEC.43; P.L.90-2002, SEC.138; P.L.256-2003, SEC.11; P.L.1-2004, SEC.15 and P.L.23-2004, SEC.16; P.L.199-2005, SEC.8; P.L.219-2007, SEC.39; P.L.1-2008, SEC.2.

IC 6-1.1-15-4
Indiana board appeal procedures; determination

Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may correct any errors that may have been made and adjust the assessment or exemption in accordance with the correction.

(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board shall give notice of the date fixed for the hearing, by mail, to the taxpayer and to the county assessor. The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing unless the parties agree to a shorter period. With respect to a petition for review filed by a county assessor, the county board that made the determination under review under this section may file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the county board in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment or exemption is under appeal is subject to assessment by that taxing unit.

(c) If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter.

(d) After the hearing, the Indiana board shall give the taxpayer, the county assessor, and any entity that filed an amicus curiae brief:

(1) notice, by mail, of its final determination; and

(2) for parties entitled to appeal the final determination, notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(e) Except as provided in subsection (f), the Indiana board shall conduct a hearing not later than nine (9) months after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(f) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real

property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(g) Except as provided in subsection (h), the Indiana board shall make a determination not later than the later of:

(1) ninety (90) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

(h) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the Indiana board shall make a determination not later than the later of:

(1) one hundred eighty (180) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

(i) The Indiana board may not extend the final determination date under subsection (g) or (h) by more than one hundred eighty (180) days. If the Indiana board fails to make a final determination within the time allowed by this section, the entity that initiated the petition may:

(1) take no action and wait for the Indiana board to make a final determination; or

(2) petition for judicial review under section 5 of this chapter.

(j) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.

(k) The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county board in support of those issues only if all parties participating in the hearing required under subsection (a) agree to the limitation. A party participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county board.

(l) The Indiana board may require the parties to the appeal:

(1) to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and

(2) to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

(m) A party to a proceeding before the Indiana board shall provide to all other parties to the proceeding the information described in subsection (l) if the other party requests the information in writing at

least ten (10) days before the deadline for filing of the information under subsection (l).

(n) The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

(1) order that a final determination under this subsection has no precedential value; or

(2) specify a limited precedential value of a final determination under this subsection.

(o) If a party to a proceeding, or a party's authorized representative, elects to receive any notice under this section by electronic mail, the notice is considered effective in the same manner as if the notice had been sent by United States mail, with postage prepaid, to the party's or representative's mailing address of record. *(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.70, SEC.4; P.L.74-1987, SEC.13; P.L.41-1993, SEC.14; P.L.86-1995, SEC.1; P.L.6-1997, SEC.74; P.L.198-2001, SEC.44; P.L.245-2003, SEC.13; P.L.1-2004, SEC.16 and P.L.23-2004, SEC.17; P.L.199-2005, SEC.9; P.L.154-2006, SEC.39; P.L.219-2007, SEC.40; P.L.112-2012, SEC.32; P.L.91-2014, SEC.16.*

IC 6-1.1-15-5

Rehearing; judicial review; procedure

Sec. 5. (a) Not later than fifteen (15) days after the Indiana board gives notice of its final determination under section 4 of this chapter to the party or the maximum allowable time for the issuance of a final determination by the Indiana board under section 4 of this chapter expires, a party to the proceeding may request a rehearing before the Indiana board. The Indiana board may conduct a rehearing and affirm or modify its final determination, giving the same notices after the rehearing as are required by section 4 of this chapter. The Indiana board has fifteen (15) days after receiving a petition for a rehearing to determine whether to grant a rehearing. Failure to grant a rehearing not later than fifteen (15) days after receiving the petition shall be treated as a final determination to deny the petition. A petition for a rehearing does not toll the time in which to file a petition for judicial review unless the petition for rehearing is granted. If the Indiana board determines to rehear a final determination, the Indiana board:

(1) may conduct the additional hearings that the Indiana board determines necessary or review the written record without additional hearings; and

(2) shall issue a final determination not later than ninety (90) days after notifying the parties that the Indiana board will rehear the final determination.

If the Indiana board fails to make a final determination within the

time allowed under subdivision (2), the entity that initiated the petition for rehearing may take no action and wait for the Indiana board to make a final determination or petition for judicial review under subsection (g).

(b) A party may petition for judicial review of the final determination of the Indiana board regarding the assessment or exemption of tangible property. In order to obtain judicial review under this section, a party must:

(1) file a petition with the Indiana tax court;

(2) serve a copy of the petition on:

(A) the county assessor;

(B) the attorney general; and

(C) any entity that filed an amicus curiae brief with the Indiana board; and

(3) file a written notice of appeal with the Indiana board informing the Indiana board of the party's intent to obtain judicial review.

Petitions for judicial review may be consolidated at the request of the appellants if it can be done in the interest of justice. The department of local government finance may intervene in an action taken under this subsection if the interpretation of a rule of the department is at issue in the action. The county assessor is a party to the review under this section.

(c) Except as provided in subsection (g), to initiate a proceeding for judicial review under this section, a party must take the action required by subsection (b) not later than:

(1) forty-five (45) days after the Indiana board gives the person notice of its final determination, unless a rehearing is conducted under subsection (a); or

(2) forty-five (45) days after the Indiana board gives the person notice under subsection (a) of its final determination, if a rehearing is conducted under subsection (a) or the maximum time elapses for the Indiana board to make a determination under this section.

(d) The failure of the Indiana board to conduct a hearing within the period prescribed in section 4(e) or 4(f) of this chapter does not constitute notice to the party of an Indiana board final determination.

(e) The county assessor may petition for judicial review to the tax court in the manner prescribed in this section.

(f) The county assessor may not be represented by the attorney general in a judicial review initiated under subsection (b) by the county assessor.

(g) If the maximum time elapses for the Indiana board to give notice of its final determination under subsection (a) or section 4 of this chapter, a party may initiate a proceeding for judicial review by taking the action required by subsection (b) at any time after the maximum time elapses. If:

(1) a judicial proceeding is initiated under this subsection; and

(2) the Indiana board has not issued a determination;

the tax court shall determine the matter de novo.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.291-1985, SEC.5; P.L.74-1987, SEC.14; P.L.50-1990, SEC.1; P.L.6-1997, SEC.75; P.L.198-2001, SEC.45; P.L.178-2002, SEC.19; P.L.256-2003, SEC.12; P.L.245-2003, SEC.14; P.L.199-2005, SEC.10; P.L.219-2007, SEC.41.

IC 6-1.1-15-6
Record for judicial review

Sec. 6. (a) Except with respect to a petition filed under section 5(g) of this chapter, if a petition for judicial review is initiated by a person under section 5 of this chapter, the Indiana board shall prepare a certified record of the proceedings related to the petition.

(b) The record for judicial review required under subsection (a) must include the following documents and items:

(1) Copies of all papers submitted to the Indiana board during the course of the action and copies of all papers provided to the parties by the Indiana board. For purposes of this subdivision, the term "papers" includes, without limitation, all notices, petitions, motions, pleadings, orders, orders on rehearing, briefs, requests, intermediate rulings, photographs, and other written documents.

(2) Evidence received or considered by the Indiana board.

(3) A statement of whether a site inspection was conducted, and, if a site inspection was conducted, either:

(A) a summary report of the site inspection; or

(B) a videotape transcript of the site inspection.

(4) A statement of matters officially noticed.

(5) Proffers of proof and objections and rulings on them.

(6) Copies of proposed findings, requested orders, and exceptions.

(7) Either:

(A) a transcription of the audio tape of the hearing; or

(B) a transcript of the hearing prepared by a court reporter.

Copies of exhibits that, because of their nature, cannot be incorporated into the certified record must be kept by the Indiana board until the appeal is finally terminated. However, this evidence must be briefly named and identified in the transcript of the evidence and proceedings.

(c) Except with respect to a petition filed under section 5(g) of this chapter, if the tax court judge finds that:

(1) a report of all or a part of the evidence or proceedings at a hearing conducted by the Indiana board was not made; or

(2) a transcript is unavailable;

a party to the appeal initiated under section 5 of this chapter may, at the discretion of the tax court judge, prepare a statement of the evidence or proceedings. The statement must be submitted to the tax court and also must be served on all other parties. A party to the proceeding may serve objections or prepare amendments to the statement not later than ten (10) days after service.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.198-2001,

SEC.46; P.L.245-2003, SEC.15.

IC 6-1.1-15-7
Repealed

(Repealed by P.L.291-1985, SEC.18.)

IC 6-1.1-15-8
Remand by tax court; referral; petition for order to show cause

Sec. 8. (a) If a final determination by the Indiana board regarding the assessment or exemption of any tangible property is vacated, set aside, or adjudged null and void under the decision of the tax court, the matter of the assessment or exemption of the property shall be remanded to the Indiana board with instructions to the Indiana board to refer the matter to the:

(1) department of local government finance with respect to an appeal of a determination made by the department; or

(2) county board with respect to an appeal of a determination made by the county board;

to make another assessment or exemption determination. Upon remand, the Indiana board may take action only on those issues specified in the decision of the tax court.

(b) The department of local government finance or the county board shall take action on a case referred to it by the Indiana board under subsection (a) not later than ninety (90) days after the date the referral is made. The department of local government finance or the county board may petition the Indiana board at any time for an extension of the ninety (90) day period. An extension shall be granted upon a showing of reasonable cause.

(c) The taxpayer in a case remanded under subsection (a) may petition the tax court for an order requiring the department of local government finance or the county board to show cause why action has not been taken pursuant to the Indiana board's referral under subsection (a) if:

(1) at least ninety (90) days have elapsed since the referral was made;

(2) the department of local government finance or the county board has not taken action on the issues specified in the tax court's decision; and

(3) an appeal of the tax court's decision has not been filed.

(d) If a case remanded under subsection (a) is appealed under section 5 of this chapter, the ninety (90) day period provided in subsection (b) is tolled until the appeal is concluded.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.86-1995, SEC.2; P.L.198-2001, SEC.47; P.L.178-2002, SEC.20; P.L.219-2007, SEC.42.

IC 6-1.1-15-9
Appeal of determination after remand

Sec. 9. (a) If the assessment or exemption of tangible property is corrected by the department of local government finance or the

county board under section 8 of this chapter, the owner of the property has a right to appeal the final determination of the corrected assessment or exemption to the Indiana board. The county assessor also has a right to appeal the final determination of the reassessment or exemption by the department of local government finance or the county board, but only upon request by the county assessor, the township assessor (if any), or an affected taxing unit. If the appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.

(b) An appeal under this section must be initiated in the manner prescribed in section 3 of this chapter or IC 6-1.5-5.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.291-1985, SEC.6; P.L.198-2001, SEC.48; P.L.90-2002, SEC.139; P.L.178-2002, SEC.21; P.L.199-2005, SEC.11; P.L.219-2007, SEC.43; P.L.146-2008, SEC.138.

IC 6-1.1-15-10

Pending review; effect on tax payment; posting of bond; separate assessed value record

Sec. 10. (a) If a petition for review to any board or a proceeding for judicial review in the tax court regarding an assessment or increase in assessment is pending, the taxes resulting from the assessment or increase in assessment are, notwithstanding the provisions of IC 6-1.1-22-9, not due until after the petition for review, or the proceeding for judicial review, is finally adjudicated and the assessment or increase in assessment is finally determined. However, even though a petition for review or a proceeding for judicial review is pending, the taxpayer shall pay taxes on the tangible property when the property tax installments come due, unless the collection of the taxes is enjoined under IC 33-26-6-2 pending a final determination in the proceeding for judicial review. The amount of taxes which the taxpayer is required to pay, pending the final determination of the assessment or increase in assessment, shall be based on:

(1) the assessed value reported by the taxpayer on the taxpayer's personal property return if a personal property assessment, or an increase in such an assessment, is involved; or

(2) an amount based on the immediately preceding year's assessment of real property if an assessment, or increase in assessment, of real property is involved.

(b) If the petition for review or the proceeding for judicial review is not finally determined by the last installment date for the taxes, the taxpayer, upon showing of cause by a taxing official or at the tax court's discretion, may be required to post a bond or provide other security in an amount not to exceed the taxes resulting from the contested assessment or increase in assessment.

(c) Each county auditor shall keep separate on the tax duplicate a record of that portion of the assessed value of property that is described in IC 6-1.1-17-0.5(b). When establishing rates and calculating state school support, the department of local government

finance shall exclude from assessed value in the county the net assessed value of property kept separate on the tax duplicate by the county auditor under IC 6-1.1-17-0.5.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.43, SEC.1; P.L.291-1985, SEC.7; P.L.63-1986, SEC.1; P.L.86-1995, SEC.3; P.L.291-2001, SEC.205; P.L.198-2001, SEC.49; P.L.1-2002, SEC.20; P.L.1-2004, SEC.17 and P.L.23-2004, SEC.18; P.L.219-2007, SEC.44; P.L.146-2008, SEC.139; P.L.137-2012, SEC.19.

IC 6-1.1-15-11

Refunds or tax credit

Sec. 11. (a) If a review or appeal authorized under this chapter results in a reduction of the amount of an assessment or if the department of local government finance on its own motion reduces an assessment, the taxpayer is entitled to a credit in the amount of any overpayment of tax on the next successive tax installment, if any, due in that year. After the credit is given, the county auditor shall:

(1) determine if a further amount is due the taxpayer; and

(2) if a further amount is due the taxpayer, notwithstanding IC 5-11-10-1 and IC 36-2-6-2, without a claim or an appropriation being required, pay the amount due the taxpayer.

The county auditor shall charge the amount refunded to the taxpayer against the accounts of the various taxing units to which the overpayment has been paid. The county auditor shall notify the county executive of the payment of the amount due.

(b) The notice provided under subsection (a) shall be treated as a claim by the taxpayer for the amount due referred to in subsection (a)(2).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.140; P.L.1-2004, SEC.18 and P.L.23-2004, SEC.19; P.L.1-2009, SEC.42; P.L.141-2009, SEC.6.

IC 6-1.1-15-12

Correction by county auditor of errors in tax duplicate; approvals required; appeal; petition for correction of error not applicable to personal property return or utility property statement

Sec. 12. (a) Subject to the limitations contained in subsections (c), (d), and (i), a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

(1) The description of the real property was in error.

(2) The assessment was against the wrong person.

(3) Taxes on the same property were charged more than one (1) time in the same year.

(4) There was a mathematical error in computing the taxes or penalties on the taxes.

(5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.

(6) The taxes, as a matter of law, were illegal.

(7) There was a mathematical error in computing an assessment.

(8) Through an error of omission by any state or county officer, the taxpayer was not given:

(A) the proper credit under IC 6-1.1-20.6-7.5 for property taxes imposed for an assessment date after January 15, 2011;

(B) any other credit permitted by law;

(C) an exemption permitted by law; or

(D) a deduction permitted by law.

(b) Subject to subsection (i), the county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following officials:

(1) The township assessor (if any).

(2) The county auditor.

(3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county board for determination. The county board shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county board to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor (if any).

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the

taxpayer must instead initiate an objection under IC 6-1.1-8-28 or an appeal under IC 6-1.1-8-30.

(i) A taxpayer is not entitled to relief under this section unless the taxpayer files a petition to correct an error:

(1) with the auditor of the county in which the taxes were originally paid; and

(2) within three (3) years after the taxes were first due.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.16; P.L.41-1993, SEC.15; P.L.86-1995, SEC.4; P.L.6-1997, SEC.76; P.L.198-2001, SEC.50; P.L.90-2002, SEC.141; P.L.256-2003, SEC.13; P.L.219-2007, SEC.45; P.L.146-2008, SEC.140; P.L.182-2009(ss), SEC.112; P.L.172-2011, SEC.31; P.L.183-2014, SEC.19.

IC 6-1.1-15-12.5

Correction of error on township assessor's initiative; credit for overpayment

Sec. 12.5. (a) If a township assessor determines that the township assessor has made an error concerning:

(1) the assessed valuation of property;

(2) the name of a taxpayer; or

(3) the description of property;

in an assessment, the township assessor shall on the township assessor's own initiative correct the error. However, the township assessor may not increase an assessment under this section. The township assessor shall correct the error in the assessment without requiring the taxpayer to file a notice with the county board requesting a review of the township assessor's original assessment.

(b) If a township assessor corrects an error under this section, the township assessor shall give notice of the correction to the taxpayer, the county auditor, and the county board.

(c) Subject to subsection (d), if a correction under this section results in a reduction of the amount of an assessment of a taxpayer's property, the taxpayer is entitled to a credit on the taxpayer's next tax installment equal to the amount of any overpayment of tax that resulted from the incorrect assessment.

(d) If the amount of the overpayment of tax exceeds the taxpayer's next tax installment, the taxpayer is entitled to:

(1) a credit in the full amount of the next tax installment; and

(2) credits on succeeding tax installments until the taxpayer has received total credits equal to the amount of the overpayment.

As added by P.L.146-2008, SEC.141.

IC 6-1.1-15-13

Tax bill as notice

Sec. 13. If notice of the action of a board or official is not otherwise given in accordance with the general assessment provisions of this article, the receipt by the taxpayer of the tax bill resulting from that action is the taxpayer's notice for the purpose of determining the taxpayer's right to obtain a review or initiate an appeal under this

chapter.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-15-14
Review; use of rules and consideration of circumstances at time of assessment

Sec. 14. In any assessment review, the assessing official shall:

(1) use the department of local government finance's rules in effect; and

(2) consider the conditions and circumstances of the property as they existed;

on the original assessment date of the property under review.
As added by P.L.74-1987, SEC.15. Amended by P.L.6-1997, SEC.77; P.L.90-2002, SEC.142; P.L.219-2007, SEC.46; P.L.146-2008, SEC.142.

IC 6-1.1-15-15
Class action suits

Sec. 15. A class action suit against the Indiana board or the department of local government finance may not be maintained in any court, including the Indiana tax court, on behalf of a person who has not complied with the requirements of this chapter or IC 6-1.1-26 before the certification of the class.
As added by P.L.41-1993, SEC.16. Amended by P.L.90-2002, SEC.143; P.L.154-2006, SEC.40.

IC 6-1.1-15-16
Evidence to be considered by county board and Indiana board of tax review

Sec. 16. Notwithstanding any provision in the 2002 Real Property Assessment Manual and Real Property Assessment Guidelines for 2002-Version A, incorporated by reference in 50 IAC 2.3-1-2, a county board or the Indiana board shall consider all evidence relevant to the assessment of real property regardless of whether the evidence was submitted to the township assessor (if any) or county assessor before the assessment of the property.
As added by P.L.178-2002, SEC.22. Amended by P.L.219-2007, SEC.47; P.L.146-2008, SEC.143.

IC 6-1.1-15-17
Repealed

(Repealed by P.L.6-2012, SEC.42; P.L.6-2012, SEC.43.)

IC 6-1.1-15-17.2
Burden of proof for certain assessments

Sec. 17.2. (a) Except as provided in subsection (d), this section applies to any review or appeal of an assessment under this chapter if the assessment that is the subject of the review or appeal is an increase of more than five percent (5%) over the assessment for the same property for the prior tax year. In calculating the change in the

assessment for purposes of this section, the assessment to be used for the prior tax year is the original assessment for that prior tax year or, if applicable, the assessment for that prior tax year:

(1) as last corrected by an assessing official;

(2) as stipulated or settled by the taxpayer and the assessing official; or

(3) as determined by the reviewing authority.

(b) Under this section, the county assessor or township assessor making the assessment has the burden of proving that the assessment is correct in any review or appeal under this chapter and in any appeals taken to the Indiana board of tax review or to the Indiana tax court. If a county assessor or township assessor fails to meet the burden of proof under this section, the taxpayer may introduce evidence to prove the correct assessment. If neither the assessing official nor the taxpayer meets the burden of proof under this section, the assessment reverts to the assessment for the prior tax year, which is the original assessment for that prior tax year or, if applicable, the assessment for that prior tax year:

(1) as last corrected by an assessing official;

(2) as stipulated or settled by the taxpayer and the assessing official; or

(3) as determined by the reviewing authority.

(c) This section does not apply to an assessment if the assessment that is the subject of the review or appeal is based on:

(1) structural improvements;

(2) zoning; or

(3) uses;

that were not considered in the assessment for the prior tax year.

(d) This subsection applies to real property for which the gross assessed value of the real property was reduced by the assessing official or reviewing authority in an appeal conducted under IC 6-1.1-15. However, this subsection does not apply for an assessment date if the real property was valued using the income capitalization approach in the appeal. If the gross assessed value of real property for an assessment date that follows the latest assessment date that was the subject of an appeal described in this subsection is increased above the gross assessed value of the real property for the latest assessment date covered by the appeal, regardless of the amount of the increase, the county assessor or township assessor (if any) making the assessment has the burden of proving that the assessment is correct.

(e) This section, as amended in the 2014 regular session of the Indiana general assembly, applies:

(1) to all appeals or reviews pending on the effective date of the amendments made to this section in the 2014 regular session of the Indiana general assembly; and

(2) to all appeals or reviews filed thereafter.

As added by P.L.6-2012, SEC.44. Amended by P.L.97-2014, SEC.2.

IC 6-1.1-15-17.3

Restrictions on serving as a tax representative

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.

As added by P.L.157-2011, SEC.1.

IC 6-1.1-15-17.4
Certain rule void to extent it establishes shelter allowance for residence

Sec. 17.4. 50 IAC 2.3 (including the 2002 Real Property Assessment Manual and the Real Property Assessment Guidelines for 2002-Version A) and any other rule adopted by the state board of tax commissioners or the department of local government finance is void to the extent that it establishes a shelter allowance for real property used as a residence. It is the intent of the general assembly that the standard deduction under IC 6-1.1-12-37 is the method through which any relief that would have been granted through a shelter allowance shall be given to taxpayers.
As added by P.L.6-2012, SEC.45.

IC 6-1.1-15-18
Value in use; evidence of comparable properties

Sec. 18. (a) This section applies to an appeal to which this chapter applies, including any review by the board of tax review or the tax court.

(b) This section applies to any proceeding pending or commenced after June 30, 2012.

(c) To accurately determine market-value-in-use, a taxpayer or an assessing official may:

(1) in a proceeding concerning residential property, introduce evidence of the assessments of comparable properties located in the same taxing district or within two (2) miles of a boundary of the taxing district; and

(2) in a proceeding concerning property that is not residential property, introduce evidence of the assessments of any relevant, comparable property.

However, in a proceeding described in subdivision (2), preference shall be given to comparable properties that are located in the same taxing district or within two (2) miles of a boundary of the taxing district. The determination of whether properties are comparable shall be made using generally accepted appraisal and assessment practices.
As added by P.L.146-2012, SEC.5.

IC 6-1.1-16

Chapter 16. Limitations on the Powers of Officials and Boards to Change Personal Property Assessments

IC 6-1.1-16-1

Notice; time requirements; appeal of preliminary determination

Sec. 1. (a) Except as provided in section 2 of this chapter, an assessing official or county property tax assessment board of appeals may not change the assessed value claimed by a taxpayer on a personal property return unless the assessing official or county property tax assessment board of appeals takes the action and gives the notice required by IC 6-1.1-3-20 within the following periods:

(1) A township assessor (if any) must make a change in the assessed value and give the notice of the change on or before the later of:

(A) September 15 of the year for which the assessment is made; or

(B) four (4) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

(2) A county assessor or county property tax assessment board of appeals must make a change in the assessed value, including the final determination by the board of an assessment changed by an assessing official, and give the notice of the change on or before the later of:

(A) October 30 of the year for which the assessment is made; or

(B) five (5) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

(3) The department of local government finance must make a preliminary change in the assessed value and give the notice of the change on or before the later of:

(A) October 1 of the year immediately following the year for which the assessment is made; or

(B) sixteen (16) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

(b) Except as provided in section 2 of this chapter, if an assessing official or a county property tax assessment board of appeals fails to change an assessment and give notice of the change within the time prescribed by this section, the assessed value claimed by the taxpayer on the personal property return is final.

(c) This section does not limit the authority of a county auditor to correct errors in a tax duplicate under IC 6-1.1-15-12.

(d) This section does not apply if the taxpayer:

(1) fails to file a personal property return which substantially complies with this article and the regulations of the department of local government finance; or

(2) files a fraudulent personal property return with the intent to

evade the payment of property taxes.

(e) A taxpayer may appeal a preliminary determination of the department of local government finance under subsection (a)(3) to the Indiana board. An appeal under this subdivision shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. A preliminary determination that is not appealed under this subsection is a final unappealable order of the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.69-1983, SEC.4; P.L.6-1997, SEC.78; P.L.90-2002, SEC.144; P.L.146-2008, SEC.144; P.L.111-2014, SEC.25.

IC 6-1.1-16-2

Failure to meet notice and time requirements; petition for review

Sec. 2. (a) If a county property tax assessment board of appeals fails to change an assessed value claimed by a taxpayer on a personal property return and give notice of the change within the time prescribed in section 1(a)(2) of this chapter, the township assessor, or the county assessor if there is no township assessor for the township, may file a petition for review of the assessment by the Indiana board. The township or county assessor must file the petition for review in the manner provided in IC 6-1.1-15-3(d). The period for filing the petition begins to run on the last day that the county board is permitted to act on the assessment under section 1(a)(2) of this chapter as though the board acted and gave notice of its action on that day.

(b) Notwithstanding section 1(a)(3) of this chapter, the department of local government finance shall reassess tangible property when an appealed assessment of the property is remanded to the board under IC 6-1.1-15-8.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.79; P.L.90-2002, SEC.145; P.L.219-2007, SEC.48; P.L.146-2008, SEC.145.

IC 6-1.1-16-3

Special session of board of appeals; expenses

Sec. 3. (a) If a county property tax assessment board of appeals is unable to take action on an assessment within the time period prescribed in section 1(a)(2) of this chapter because the board is no longer in session, the board shall file with the department of local government finance a written petition requesting permission to conduct a special session for the purpose of reviewing the assessment within the required time period. If the department of local government finance approves the petition, it shall specify:

(1) the number of session days granted to the county property tax assessment board of appeals; and

(2) the termination date of the special session.

(b) The county auditor shall pay the expenses and per diem allowances resulting from the special session. The county auditor shall draw warrants for these items on county funds not otherwise

appropriated, without further appropriations being required for the disbursements.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.74-1987, SEC.16; P.L.6-1997, SEC.80; P.L.90-2002, SEC.146.

IC 6-1.1-16-4

Application of chapter; conflicting provisions

Sec. 4. The provisions of this chapter do not extend the period within which an assessment or change in an assessment may be made. If a shorter period for action and notice is provided elsewhere in this article, that provision controls. However, if any other conflict exists between the provisions of this chapter and the other provisions of this article, the provisions of this chapter control with respect to assessment adjustments.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-17

Chapter 17. Procedures for Fixing and Reviewing Budgets, Tax Rates, and Tax Levies

IC 6-1.1-17-0.5

Exclusion by county auditor of certain assessed value on tax duplicate; county auditor reduction of assessed value used to set tax rates; limitation on reduction; reduction may not be offered as evidence in appeal

Sec. 0.5. (a) For purposes of this section, "net assessed value" means assessed value after the application of deductions, exemptions, and abatements.

(b) The county auditor may exclude and keep separate on the tax duplicate for taxes payable in a calendar year the net assessed value of tangible property that meets the following conditions:

(1) The net assessed value of the property is at least nine percent (9%) of the net assessed value of all tangible property subject to taxation by a taxing district.

(2) The property is or has been part of a bankruptcy estate that is subject to protection under the federal bankruptcy code.

(3) The owner of the property has discontinued all business operations on the property.

(4) There is a high probability that the taxpayer will not pay property taxes due on the property in the following year.

(c) This section does not limit, restrict, or reduce in any way the property tax liability on the property.

(d) For each taxing district located in the county, the county auditor may reduce for a calendar year the taxing district's net assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing district for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing district's net assessed value under this subsection only to enable the taxing district to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from any or a combination of the following:

(1) Successful appeals of the assessed value of property located in the taxing district.

(2) Deductions under IC 6-1.1-12-37 and IC 6-1.1-12-37.5 that result from the granting of applications for the standard deduction for the calendar year under IC 6-1.1-12-37 or IC 6-1.1-12-44 after the county auditor certifies net assessed value as described in this section.

(3) Deductions that result from the granting of applications for deductions for the calendar year under IC 6-1.1-12-44 after the county auditor certifies net assessed value as described in this section.

(4) Reassessments of real property under IC 6-1.1-4-11.5.

Not later than December 31 of each year, the county auditor shall send a certified statement, under the seal of the board of county

commissioners, to the fiscal officer of each political subdivision of the county and to the department of local government finance. The certified statement must list any adjustments to the amount of the reduction under this subsection and the information submitted under section 1 of this chapter that are necessary. The county auditor shall keep separately on the tax duplicate the amount of any reductions made under this subsection. The maximum amount of the reduction authorized under this subsection is determined under subsection (e).

(e) The amount of the reduction in a taxing district's net assessed value for a calendar year under subsection (d) may not exceed two percent (2%) of the net assessed value of tangible property subject to assessment in the taxing district in that calendar year.

(f) The amount of a reduction under subsection (d) may not be offered in a proceeding before the:

(1) county property tax assessment board of appeals;

(2) Indiana board; or

(3) Indiana tax court;

as evidence that a particular parcel has been improperly assessed.

As added by P.L.291-2001, SEC.206. Amended by P.L.154-2006, SEC.41; P.L.144-2008, SEC.39; P.L.90-2009, SEC.2; P.L.182-2009(ss), SEC.113; P.L.137-2012, SEC.20.

IC 6-1.1-17-1

County auditor certified statement; amendment of statement

Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the department of local government finance. The statement must contain:

(1) information concerning the assessed valuation in the political subdivision for the next calendar year;

(2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;

(3) the current assessed valuation as shown on the abstract of charges;

(4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, adjusted according to procedures established by the department of local government finance to account for reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2;

(5) the amount of the political subdivision's net assessed valuation reduction determined under section 0.5(d) of this chapter;

(6) for counties with taxing units that cross into or intersect with other counties, the assessed valuation as shown on the most current abstract of property; and

(7) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

(1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and

(2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

(d) Subject to subsection (e), after the county auditor sends a certified statement under subsection (a) or an amended certified statement under this subsection with respect to a political subdivision and before the department of local government finance certifies its action with respect to the political subdivision under section 16(f) of this chapter, the county auditor may amend the information concerning assessed valuation included in the earlier certified statement. The county auditor shall send a certified statement amended under this subsection, under the seal of the board of county commissioners, to:

(1) the fiscal officer of each political subdivision affected by the amendment; and

(2) the department of local government finance.

(e) Except as provided in subsection (f), before the county auditor makes an amendment under subsection (d), the county auditor must provide an opportunity for public comment on the proposed amendment at a public hearing. The county auditor must give notice of the hearing under IC 5-3-1. If the county auditor makes the amendment as a result of information provided to the county auditor by an assessor, the county auditor shall give notice of the public hearing to the assessor.

(f) The county auditor is not required to hold a public hearing under subsection (e) if:

(1) the amendment under subsection (d) is proposed to correct a mathematical error made in the determination of the amount of assessed valuation included in the earlier certified statement;

(2) the amendment under subsection (d) is proposed to add to the amount of assessed valuation included in the earlier certified statement assessed valuation of omitted property discovered after the county auditor sent the earlier certified statement; or

(3) the county auditor determines that the amendment under subsection (d) will not result in an increase in the tax rate or tax rates of the political subdivision.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.37-1992, SEC.4; P.L.49-1996, SEC.1; P.L.50-1996, SEC.1; P.L.90-2002, SEC.147; P.L.154-2006, SEC.42; P.L.146-2008, SEC.146; P.L.1-2010, SEC.25; P.L.137-2012, SEC.21; P.L.112-2012, SEC.33; P.L.137-2012, SEC.22.

IC 6-1.1-17-2
Budget estimates

Sec. 2. (a) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue which the political subdivision will receive from the state for and during the budget year for which the budget is being formulated. These estimated revenues shall be shown in the budget estimate and shall be taken into consideration in calculating the tax levy which is to be made for the ensuing calendar year. However, this section does not apply to funds to be received from the state or the federal government for:

(1) township assistance;
(2) unemployment relief;
(3) old age pensions; or
(4) other funds which may at any time be made available under "The Economic Security Act" or under any other federal act which provides for civil and public works projects.

(b) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue that the political subdivision will receive under a development agreement (as defined in IC 36-1-8-9.5) for and during the budget year for which the budget is being formulated. Revenue received under a development agreement may not be used to reduce the political subdivision's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the political subdivision to reduce the property tax levy of the political subdivision for a particular year.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.2; P.L.73-2005, SEC.1; P.L.199-2005, SEC.12; P.L.1-2006, SEC.135.

IC 6-1.1-17-3
Formulation of local budgets, tax rates, and levies; public notice; availability on computer gateway; solid waste management districts; township trustee estimate of cost of township assistance

Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision or appropriate fiscal body, if the political subdivision is subject to section 20 of this chapter, shall (before January 1, 2015) at least ten (10) days before the public hearing, give notice to taxpayers of:

(1) the estimated budget;
(2) the estimated maximum permissible levy;
(3) the current and proposed tax levies of each fund; and
(4) the amounts of excessive levy appeals to be requested.

The political subdivision or appropriate fiscal body shall also state the time and place at which the political subdivision or appropriate fiscal body will hold a public hearing on these items. The political subdivision or appropriate fiscal body shall (before January 1, 2015) publish the notice twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public

hearing. The first publication must be before September 14, and the second publication must be before September 21 of the year. The political subdivision shall pay for the publishing of the notice. The political subdivision shall submit this information to the department's computer gateway before September 14 of each year and at least ten (10) days before the public hearing required by this subsection in the manner prescribed by the department. The department shall make this information available to taxpayers, at least ten (10) days before the public hearing, through its computer gateway and provide a telephone number through which taxpayers may request mailed copies of a political subdivision's information under this subsection. The department's computer gateway must allow a taxpayer to search for the information under this subsection by the taxpayer's address. The department shall review only the submission to the department's computer gateway for compliance with this section.

(b) For taxes due and payable in 2015 and 2016, each county shall publish a notice in accordance with IC 5-3-1 in two (2) newspapers published in the county stating the Internet address at which the information under subsection (a) is available and the telephone number through which taxpayers may request copies of a political subdivision's information under subsection (a). If only one (1) newspaper is published in the county, publication in that newspaper is sufficient. The department of local government finance shall prescribe the notice. Notice under this subsection shall be published before September 14. Counties may seek reimbursement from the political subdivisions within their legal boundaries for the cost of the notice required under this subsection. The actions under this subsection shall be completed in the manner prescribed by the department.

(c) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and

(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(d) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(e) A political subdivision for which any of the information under subsection (a) is not (before January 1, 2015) published and is not submitted to the department's computer gateway in the manner prescribed by the department shall have its most recent annual appropriations and annual tax levy continued for the ensuing budget year.

(f) If a political subdivision or appropriate fiscal body timely publishes (before January 1, 2015) and timely submits the

information under subsection (a) but subsequently discovers the information contains a typographical error, the political subdivision or appropriate fiscal body may request permission from the department to submit amended information to the department's computer gateway and (before January 1, 2015) to publish the amended information. However, such a request must occur not later than seven (7) days before the public hearing held under subsection (a). Acknowledgment of the correction of an error shall be posted on the department's computer gateway and communicated by the political subdivision or appropriate fiscal body to the fiscal body of the county in which the political subdivision and appropriate fiscal body are located.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.45, SEC.5; P.L.34-1994, SEC.1; P.L.33-1994, SEC.1; P.L.1-1996, SEC.41; P.L.51-1996, SEC.1; P.L.49-1996, SEC.2; P.L.2-1997, SEC.17; P.L.50-1996, SEC.3; P.L.90-2002, SEC.148; P.L.178-2002, SEC.23; P.L.256-2003, SEC.14; P.L.73-2005, SEC.2; P.L.234-2005, SEC.3; P.L.162-2006, SEC.3; P.L.219-2007, SEC.49; P.L.224-2007, SEC.5; P.L.3-2008, SEC.41; P.L.146-2008, SEC.147; P.L.87-2009, SEC.6; P.L.136-2009, SEC.6; P.L.182-2009(ss), SEC.114; P.L.137-2012, SEC.23; P.L.183-2014, SEC.20.

IC 6-1.1-17-3.5

County fiscal body review of rates, levies, and budgets of taxing units; deadline for filing; consequence of failure to act by taxing unit or fiscal body

Sec. 3.5. (a) This section does not apply to taxing units located in a county in which a county board of tax adjustment reviews budgets, tax rates, and tax levies. This section does not apply to a taxing unit that has its proposed budget and proposed property tax levy approved under section 20 or 20.3 of this chapter or IC 36-3-6-9.

(b) This section applies to a taxing unit other than a county. Except as provided in section 3.7 of this chapter, if a taxing unit will impose property taxes due and payable in the ensuing calendar year, the taxing unit shall file the following information in the manner prescribed by the department of local government finance with the fiscal body of the county in which the taxing unit is located:

(1) A statement of the proposed or estimated tax rate and tax levy for the taxing unit for the ensuing budget year.

(2) In the case of a taxing unit other than a school corporation, a copy of the taxing unit's proposed budget for the ensuing budget year.

(c) In the case of a taxing unit located in more than one (1) county, the taxing unit shall file the information under subsection (b) with the fiscal body of the county in which the greatest part of the taxing unit's net assessed valuation is located.

(d) A taxing unit must file the information under subsection (b) before September 2 of a year.

(e) A county fiscal body shall complete the following in a manner prescribed by the department of local government finance before October 2 of a year:

(1) Review any proposed or estimated tax rate or tax levy filed by a taxing unit with the county fiscal body under this section.
(2) In the case of a taxing unit other than a school corporation, review any proposed or estimated budget filed by a taxing unit with the county fiscal body under this section.
(3) In the case of a taxing unit other than a school corporation, issue a nonbinding recommendation to a taxing unit regarding the taxing unit's proposed or estimated tax rate or tax levy or proposed budget.

(f) The recommendation under subsection (e) must include a comparison of any increase in the taxing unit's budget or tax levy to:
(1) the average increase in Indiana nonfarm personal income for the preceding six (6) calendar years and the average increase in nonfarm personal income for the county for the preceding six (6) calendar years; and
(2) increases in the budgets and tax levies of other taxing units in the county.

(g) The department of local government finance must provide each county fiscal body with the most recent available information concerning increases in Indiana nonfarm personal income and increases in county nonfarm personal income.

(h) If a taxing unit fails to file the information required by subsection (b) with the fiscal body of the county in which the taxing unit is located by the time prescribed in subsection (d), the most recent annual appropriations and annual tax levy of that taxing unit are continued for the ensuing budget year.

(i) If a county fiscal body fails to complete the requirements of subsection (e) before the deadline in subsection (e) for any taxing unit subject to this section, the most recent annual appropriations and annual tax levy of the county are continued for the ensuing budget year.

As added by P.L.146-2008, SEC.148. Amended by P.L.182-2009(ss), SEC.115; P.L.137-2012, SEC.24; P.L.257-2013, SEC.7.

IC 6-1.1-17-3.7

Nonbinding review of local budgets; pilot program; reports

Sec. 3.7. (a) This section authorizes a three (3) year pilot program to allow county fiscal bodies of designated counties to carry out a more thorough nonbinding review of the proposed budgets, property tax rates, and property tax levies of all taxing units in those counties. The general assembly finds that, because of the enactment of property tax credits under IC 6-1.1-20.6, there is an even greater need for taxing units to cooperate in the adoption of their budgets, property tax rates, and property tax levies.

(b) The department of local government finance may establish a pilot program concerning nonbinding review of budgets, property tax rates, and property tax levies as provided in this section. The role of the department of local government finance in the pilot program is to develop the framework for the continuation of a more thorough nonbinding review in all counties without the direct involvement of

the department of local government finance.

(c) For a county to be eligible for designation as a pilot county participating in the pilot program:

(1) the county fiscal body must adopt a resolution approving the submission of an application to be designated as a pilot county; and

(2) the county fiscal body must submit to the department of local government finance before the date specified by the department:

(A) an application in the form and containing the information prescribed by the department; and

(B) a copy of the resolution adopted under subdivision (1).

(d) After reviewing applications submitted under subsection (c), the department of local government finance may designate not more than three (3) counties that submit an application under subsection (c) as pilot counties under this section. In determining which counties are designated as pilot counties, the department of local government finance shall attempt to achieve diversity among designated counties based on:

(1) the geographical location of the counties;

(2) the population of the counties; and

(3) whether the counties are primarily rural or urban.

(e) The department of local government finance shall notify each taxing unit in a pilot county of:

(1) the designation of the county as a pilot county; and

(2) the duties of the taxing unit under this section.

(f) The following apply in 2014 and thereafter:

(1) Each taxing unit in a pilot county shall, before September 2 of each year, file with the department of local government finance and with the county fiscal body:

(A) the taxing unit's proposed budgets, property tax rates, and property tax levies for the following calendar year;

(B) a statement of whether:

(i) a petition and remonstrance process has been initiated under IC 6-1.1-20 concerning a controlled project of the taxing unit;

(ii) a public question under IC 6-1.1-20 concerning a controlled project of the taxing unit has been certified and will be on the election ballot;

(iii) a referendum tax levy question under IC 20-46-1 has been certified and will be on the election ballot; or

(iv) the taxing unit anticipates that it will during the following eighteen (18) months either adopt a resolution or ordinance under IC 6-1.1-20 making a preliminary determination to issue bonds or enter into a lease concerning a controlled project of the taxing unit, or adopt a resolution under IC 20-46-1 to place a referendum tax levy question on the election ballot; and

(C) any additional information required by the department to prepare the analysis required under subdivision (4).

A school corporation providing information to the department of local government finance shall provide the information through the department's interactive and searchable Internet web site containing local government information (the Indiana gateway for governmental units). When formulating the taxing unit's estimated budget, property tax rate, and property tax levy under section 3 of this chapter, the proper officers of the taxing unit shall consider the estimated consequences of the property tax credits under IC 6-1.1-20.6 on the property taxes that will be collected by the taxing unit and the calculation of fund balances.

(2) A taxing unit in a pilot county that would otherwise be required to submit its proposed budgets, property tax rates, and property tax levies for nonbinding review under section 3.5 of this chapter is not required to do so, but the taxing unit must instead submit the information required by subdivision (1) to the department of local government finance.

(3) A taxing unit that is located in a pilot county and that is subject to binding review and approval of the taxing unit's budgets, property tax rates, and property tax levies under section 20 of this chapter or IC 36-3-6-9:

(A) remains subject to binding review and approval under those statutes and must submit the information required under those statutes to the appropriate fiscal body; and

(B) must also submit the information required by subdivision (1) to the department of local government finance.

(4) The department shall prepare an analysis of the proposed budgets, property tax rates, and property tax levies submitted by taxing units in each pilot county. The department of local government finance may establish appropriate procedures and conduct the appropriate analysis that meets the department's requirements for the review of a unit's budget under this chapter. The analysis prepared by the department must include at least the following:

(A) The estimated total property tax rate for each taxing district in the pilot county.

(B) The estimated total amount of property taxes to be levied in the pilot county.

(C) The estimated consequences of the property tax credits under IC 6-1.1-20.6 on:

(i) the property tax rates of each taxing unit and taxing district in the pilot county;

(ii) the expected total tax rate of each taxing district in the county; and

(iii) the property taxes that will be collected by each taxing unit in the pilot county.

(5) The department of local government finance shall, before October 2 of each year, provide the analysis prepared under subdivision (4) for a pilot county to the county fiscal body of the pilot county and to the fiscal body of each taxing unit in the pilot county. Upon request by the county fiscal body,

representatives of the department of local government finance shall appear before the county fiscal body to review the analysis.

(6) The county fiscal body of a pilot county shall, on or before October 15 of each year:

(A) review the proposed budgets, property tax rates, and property tax levies of each taxing unit in the pilot county;

(B) review the expected total tax rate of each taxing district in the county; and

(C) issue a nonbinding recommendation to each taxing unit in the pilot county regarding the taxing unit's proposed budgets, property tax rates, and property tax levies.

The review and recommendation required to be carried out under this subdivision may be carried out by the full county fiscal body or by a committee appointed by the county fiscal body for that purpose.

(7) A recommendation by a county fiscal body must include a comparison of any increase in a taxing unit's budgets, property tax rates, and property tax levies to:

(A) the average increase in Indiana nonfarm personal income for the preceding six (6) calendar years and the average increase in nonfarm personal income for the county for the preceding six (6) calendar years; and

(B) increases in the budgets, property tax rates, and property tax levies of other taxing units in the county.

(8) After review under this section, a taxing unit must adopt its budget, property tax rates, and property tax levies by the date required under section 5 of this chapter.

(g) The county fiscal body of a pilot county may, before July 1 of a year, adopt a resolution discontinuing the county's participation in the pilot program. If a county fiscal body adopts such a resolution:

(1) the county fiscal body shall certify a copy of the resolution to the department of local government finance;

(2) the county's participation in the pilot program is terminated; and

(3) the department of local government finance shall attempt to replace the pilot county with another county that has applied to be designated as a pilot county.

(h) The department of local government finance shall, before November 1, 2014, and each year thereafter, report to the interim study committee on fiscal policy established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6 concerning the pilot program and whether the nonbinding review under the pilot program is fostering cooperation among taxing units in the adoption of their budgets, property tax rates, and property tax levies.

(i) This section expires January 1, 2017.

As added by P.L.257-2013, SEC.8. Amended by P.L.53-2014, SEC.72.

IC 6-1.1-17-4

Repealed

(Repealed by Acts 1981, P.L.45, SEC.105.)

IC 6-1.1-17-5

Time for meetings to set local budget, rate, and levy; taxpayer objections; information to be filed with the county auditor by civil taxing units; presentation of information to county board of tax adjustment; carryover of appropriations if budget, rate, and levy not set

Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred thousand (100,000) but less than one hundred ten thousand (110,000), not later than:

(A) the time required in section 5.6(b) of this chapter; or

(B) November 1 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(2) The proper officers of all other political subdivisions that are not school corporations, not later than November 1.

(3) The governing body of a school corporation (other than a school corporation described in subdivision (1)) that elects to adopt a budget under section 5.6 of this chapter for budget years beginning after June 30, 2011, not later than the time required under section 5.6(b) of this chapter for budget years beginning after June 30, 2011.

(4) The governing body of a school corporation that is not described in subdivision (1) or (3), not later than November 1.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting under IC 6-1.1-29-4.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.57, SEC.1; Acts 1980, P.L.8, SEC.53; Acts 1981, P.L.52, SEC.2; P.L.8-1987, SEC.11; P.L.8-1989, SEC.24; P.L.81-1989, SEC.1; P.L.44-1991, SEC.2; P.L.1-1992, SEC.15; P.L.35-1994, SEC.1; P.L.34-1994, SEC.2; P.L.1-1996, SEC.42; P.L.49-1996, SEC.3; P.L.50-1996, SEC.4; P.L.96-2000, SEC.1; P.L.178-2001, SEC.1; P.L.177-2002, SEC.6; P.L.170-2002, SEC.19; P.L.178-2002, SEC.24; P.L.1-2003, SEC.23; P.L.169-2006, SEC.8; P.L.219-2007, SEC.50; P.L.224-2007, SEC.6; P.L.3-2008, SEC.42; P.L.146-2008, SEC.149; P.L.182-2009(ss), SEC.116; P.L.111-2010, SEC.1; P.L.119-2012, SEC.30.

IC 6-1.1-17-5.1
Repealed

(Repealed by P.L.96-2000, SEC.8.)

IC 6-1.1-17-5.6
School corporations; adoption of resolution

Sec. 5.6. (a) For budget years beginning before July 1, 2011, this section applies only to a school corporation that is located in a city having a population of more than one hundred thousand (100,000) but less than one hundred ten thousand (110,000). For budget years beginning after June 30, 2011, this section applies to all school corporations. Beginning in 2011, each school corporation may elect to adopt a budget under this section that applies from July 1 of the year through June 30 of the following year. In the initial budget adopted by a school corporation under this section, the first six (6) months of that initial budget must be consistent with the last six (6) months of the budget adopted by the school corporation for the calendar year in which the school corporation elects by resolution to begin adopting budgets that correspond to the state fiscal year. A corporation shall submit a copy of the resolution to the department of

local government finance and the department of education not more than thirty (30) days after the date the governing body adopts the resolution.

(b) Before April 1 of each year, the officers of the school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers. However, if a resolution adopted under subsection (d) is in effect, the officers shall meet to fix the budget for the ensuing budget year before November 1.

(c) Each year, at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, the school corporation shall file with the county auditor:

(1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year;

(2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year; and

(3) any written notification from the department of local government finance under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting under IC 6-1.1-29-4.

(d) The governing body of the school corporation may adopt a resolution to cease using a school year budget year and return to using a calendar year budget year. A resolution adopted under this subsection must be adopted after January 1 and before July 1. The school corporation's initial calendar year budget year following the adoption of a resolution under this subsection begins on January 1 of the year following the year the resolution is adopted. The first six (6) months of the initial calendar year budget for the school corporation must be consistent with the last six (6) months of the final school year budget fixed by the department of local government finance before the adoption of a resolution under this subsection.

(e) A resolution adopted under subsection (d) may be rescinded by a subsequent resolution adopted by the governing body. If the governing body of the school corporation rescinds a resolution adopted under subsection (d) and returns to a school year budget year, the school corporation's initial school year budget year begins on July 1 following the adoption of the rescinding resolution and ends on June 30 of the following year. The first six (6) months of the initial school year budget for the school corporation must be consistent with the last six (6) months of the last calendar year budget fixed by the department of local government finance before the adoption of a rescinding resolution under this subsection.

As added by P.L.178-2001, SEC.2. Amended by P.L.90-2002, SEC.149; P.L.177-2002, SEC.7; P.L.219-2007, SEC.51; P.L.224-2007, SEC.7; P.L.3-2008, SEC.43; P.L.146-2008, SEC.150; P.L.182-2009(ss), SEC.117; P.L.111-2010, SEC.2; P.L.119-2012,

SEC.31; P.L.111-2014, SEC.26.

IC 6-1.1-17-6
Review by county board; revision

Sec. 6. (a) The county board of tax adjustment shall review the budget, tax rate, and tax levy of each political subdivision filed with the county auditor under section 5 or 5.6 of this chapter. The board shall revise or reduce, but not increase, any budget, tax rate, or tax levy in order:

(1) to limit the tax rate to the maximum amount permitted under IC 6-1.1-18; and

(2) to limit the budget to the amount of revenue to be available in the ensuing budget year for the political subdivision.

(b) The county board of tax adjustment shall make a revision or reduction in a political subdivision's budget only with respect to the total amounts budgeted for each office or department within each of the major budget classifications prescribed by the state board of accounts.

(c) When the county board of tax adjustment makes a revision or reduction in a budget, tax rate, or tax levy, it shall file with the county auditor a written order which indicates the action taken. If the board reduces the budget, it shall also indicate the reason for the reduction in the order. The chairman of the county board shall sign the order.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.6; P.L.178-2001, SEC.3; P.L.224-2007, SEC.8; P.L.146-2008, SEC.151.

IC 6-1.1-17-7
Multiple county political subdivision; filing budget, tax levy, and tax rate; jurisdiction

Sec. 7. If the boundaries of a political subdivision cross one (1) or more county lines, the budget, tax levy, and tax rate fixed by the political subdivision shall be filed with the county auditor of each affected county in the manner prescribed in section 5 or 5.6 of this chapter. The board of tax adjustment of the county which contains the largest portion of the value of property taxable by the political subdivision, as determined from the abstracts of taxable values last filed with the auditor of state, has jurisdiction over the budget, tax rate, and tax levy to the same extent as if the property taxable by the political subdivision were wholly within the county. The secretary of the county board of tax adjustment shall notify the county auditor of each affected county of the action of the board. Appeals from actions of the county board of tax adjustment may be initiated in any affected county.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.7; P.L.178-2001, SEC.4; P.L.224-2007, SEC.9; P.L.146-2008, SEC.152.

IC 6-1.1-17-8
Maximum aggregate tax rate; inadequacy; recommendations

Sec. 8. (a) If the county board of tax adjustment determines that the maximum aggregate tax rate permitted within a political subdivision under IC 6-1.1-18 is inadequate, the county board shall, subject to the limitations prescribed in IC 20-45-4 (before January 1, 2009), file its written recommendations in duplicate with the county auditor. The board shall include with its recommendations:

(1) an analysis of the aggregate tax rate within the political subdivision;

(2) a recommended breakdown of the aggregate tax rate among the political subdivisions whose tax rates compose the aggregate tax rate within the political subdivision; and

(3) any other information that the county board considers relevant to the matter.

(b) The county auditor shall forward one (1) copy of the county board's recommendations to the department of local government finance and shall retain the other copy in the county auditor's office. The department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budgets by fund, tax rates, and tax levies of the political subdivisions described in subsection (a)(2).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.150; P.L.228-2005, SEC.19; P.L.2-2006, SEC.37; P.L.224-2007, SEC.10; P.L.146-2008, SEC.153.

IC 6-1.1-17-8.5

Review by department if assessed value reduced; appeal

Sec. 8.5. (a) If a county auditor reduces a taxing unit's net assessed valuation under section 0.5(d) of this chapter, the department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budget, tax rate, and tax levy of the taxing unit.

(b) The county auditor may appeal to the department of local government finance to reduce a taxing unit's net assessed valuation by an amount that exceeds the limits set forth in section 0.5(e) of this chapter. The department of local government finance:

(1) may require the county auditor to submit supporting information with the county auditor's appeal;

(2) shall consider the appeal at the time of the review required by subsection (a); and

(3) may approve, modify and approve, or reject the amount of the reduction sought in the appeal.

As added by P.L.154-2006, SEC.43. Amended by P.L.137-2012, SEC.25.

IC 6-1.1-17-9

Deadline for completion of duties by county board of tax adjustment; county auditor action if county board fails to act

Sec. 9. (a) The county board of tax adjustment shall complete the duties assigned to it under this chapter on or before November 2 of each year, except that in a consolidated city and county and in a

county containing a second class city, the duties of this board need not be completed until December 1 of each year.

(b) If the county board of tax adjustment fails to complete the duties assigned to it within the time prescribed in this section or to reduce aggregate tax rates so that they do not exceed the maximum rates permitted under IC 6-1.1-18, the county auditor shall calculate and fix the tax rate within each political subdivision of the county so that the maximum rate permitted under IC 6-1.1-18 is not exceeded.

(c) When the county auditor calculates and fixes tax rates, the county auditor shall send a certificate notice of those rates to each political subdivision of the county. The county auditor shall send these notices within five (5) days after:

(1) publication of the notice required by section 12 of this chapter; or

(2) the tax rates are calculated and fixed by the county auditor; whichever applies.

(d) When the county auditor calculates and fixes tax rates, that action shall be treated as if it were the action of the county board of tax adjustment.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.52, SEC.3; P.L.44-1991, SEC.3; P.L.224-2007, SEC.11; P.L.146-2008, SEC.154; P.L.182-2009(ss), SEC.118.

IC 6-1.1-17-10

Maximum aggregate tax rate; exceeding; procedure

Sec. 10. When the aggregate tax rate within a political subdivision, as approved or modified by the county board of tax adjustment (before January 1, 2009), exceeds the maximum aggregate tax rate prescribed in IC 6-1.1-18-3(a), the county auditor shall certify the budgets, tax rates, and tax levies of the political subdivisions whose tax rates compose the aggregate tax rate within the political subdivision, as approved or modified by the county board, to the department of local government finance for final review. For purposes of this section, the maximum aggregate tax rate limit exceptions provided in IC 6-1.1-18-3(b) do not apply.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.151; P.L.224-2007, SEC.12; P.L.146-2008, SEC.155.

IC 6-1.1-17-11

Final budget, tax rate, and tax levy; appeal and review

Sec. 11. A budget, tax rate, or tax levy of a political subdivision, as approved or modified by the county board of tax adjustment, is final unless:

(1) action is taken by the county auditor in the manner provided under section 9 of this chapter;

(2) the action of the county board is subject to review by the department of local government finance under section 8 or 10 of this chapter; or

(3) an appeal to the department of local government finance is initiated with respect to the budget, tax rate, or tax levy.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.8; P.L.90-2002, SEC.152; P.L.224-2007, SEC.13; P.L.146-2008, SEC.156.

IC 6-1.1-17-12
County auditor notice to taxpayers of modification of budgets, rates, and levies by county board of tax adjustment; notice of appeal opportunity

Sec. 12. If the budgets, tax rates, or tax levies are modified by the county board of tax adjustment or county auditor, the county auditor shall within fifteen (15) days of the modification prepare a notice of the tax rates to be charged on each one hundred dollars ($100) of assessed valuation for the various funds in each taxing district. The notice shall also inform the taxpayers of the manner in which they may initiate an appeal of the modification by the county board or county auditor. The county auditor shall post the notice at the county courthouse and publish it in two (2) newspapers which represent different political parties and which have a general circulation in the county.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.52, SEC.4; P.L.224-2007, SEC.14; P.L.146-2008, SEC.157; P.L.182-2009(ss), SEC.119.

IC 6-1.1-17-13
Appeal by taxpayers of modification of budgets, rates, and levies by county board of tax adjustment; action on the appeal required by the department of local government finance

Sec. 13. (a) Ten (10) or more taxpayers or one (1) taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision may initiate an appeal from the county board of tax adjustment's or county auditor's modification of a political subdivision's budget, tax rate, or tax levy by filing a statement of their objections with the county auditor. The statement must be filed not later than ten (10) days after the publication of the notice required by section 12 of this chapter. The statement shall specifically identify the provisions of the budget, tax rate, or tax levy to which the taxpayers object. The county auditor shall forward the statement, with the budget, to the department of local government finance.

(b) The department of local government finance shall:

(1) subject to subsection (c), give notice to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer, of the date, time, and location of the hearing on the objection statement filed under subsection (a);

(2) conduct a hearing on the objection; and

(3) after the hearing:

(A) consider the testimony and evidence submitted at the hearing; and

(B) mail the department's:
(i) written determination; and
(ii) written statement of findings;
to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer.

The department of local government finance may hold the hearing in conjunction with the hearing required under IC 6-1.1-17-16.

(c) The department of local government finance shall provide written notice to:

(1) the first ten (10) taxpayers whose names appear on the petition; or

(2) the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision, in the case of an appeal initiated by that taxpayer;

at least five (5) days before the date of the hearing.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.153; P.L.178-2002, SEC.25; P.L.1-2003, SEC.24; P.L.228-2005, SEC.20; P.L.182-2009(ss), SEC.120.

IC 6-1.1-17-14

County auditor must appeal to the department of local government finance if the township assistance rate is reduced below the necessary rate

Sec. 14. The county auditor shall initiate an appeal to the department of local government finance if the county fiscal body or the county board of tax adjustment reduces a township assistance tax rate below the rate necessary to meet the estimated cost of township assistance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.154; P.L.73-2005, SEC.3; P.L.234-2005, SEC.4; P.L.224-2007, SEC.15; P.L.146-2008, SEC.158; P.L.182-2009(ss), SEC.121.

IC 6-1.1-17-15

Appeal by political subdivision to department of local government finance for increase in modified rate or levy; approval of appeal required by local legislative body

Sec. 15. A political subdivision may appeal to the department of local government finance for an increase in its tax rate or tax levy as modified by the county board of tax adjustment or the county auditor. To initiate the appeal, the political subdivision must file a statement with the department of local government finance not later than ten (10) days after publication of the notice required by section 12 of this chapter. The legislative body of the political subdivision must authorize the filing of the statement by adopting a resolution. The resolution must be attached to the statement of objections, and the statement must be signed by the following officers:

(1) In the case of counties, by the board of county commissioners and by the president of the county council.

(2) In the case of all other political subdivisions, by the highest executive officer and by the presiding officer of the legislative body.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.41-1993, SEC.18; P.L.90-2002, SEC.155; P.L.224-2007, SEC.16; P.L.146-2008, SEC.159; P.L.182-2009(ss), SEC.122.

IC 6-1.1-17-16

Department of local government finance revision, reduction, or increase of a political subdivision's budget by fund, rate, or levy; public hearing requests; limitations on levy for lease payments; judicial review of department action

Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in section 16.1 of this chapter, the department of local government finance is not required to hold a public hearing before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section.

(d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. However, if the department of local government finance determines that IC 5-3-1-2.3(b) (before its expiration) applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in IC 5-3-1-2.3(b) (before its expiration). The department of local government finance shall give the political subdivision notification electronically in the manner prescribed by the department of local government finance specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a response electronically in the manner prescribed by the department of local government finance. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review

of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

(1) no bonds of the building corporation are outstanding; or

(2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

(1) the county auditor;

(2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;

(3) the taxpayer that initiated an appeal under section 13 of this chapter, or, if the appeal was initiated by multiple taxpayers, the first ten (10) taxpayers whose names appear on the statement filed to initiate the appeal; and

(4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

(1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.

(2) If the department:

(A) acts under an appeal initiated by one (1) or more taxpayers under section 13 of this chapter; or

(B) fails to act on the appeal before the department certifies its action under subsection (f);

a taxpayer who signed the statement filed to initiate the appeal.

(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.

(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15 of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance shall, unless the department finds extenuating circumstances, increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision if:

(1) the increase is requested in writing by the officers of the political subdivision;

(2) the requested increase is published on the department's advertising Internet web site and (before January 1, 2015) is published by the political subdivision according to a notice provided by the department; and

(3) notice is given to the county fiscal body of the error and the department's correction.

If the department increases a levy beyond what was advertised or adopted under this subsection, it shall, unless the department finds extenuating circumstances, reduce the certified levy affected below the maximum allowable levy by the lesser of five percent (5%) of the difference between the advertised or adopted levy and the increased levy, or one hundred thousand dollars ($100,000).

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.7; P.L.35-1990, SEC.7; P.L.35-1994, SEC.2; P.L.85-1995, SEC.3; P.L.86-1995, SEC.5; P.L.49-1996, SEC.4; P.L.50-1996, SEC.9; P.L.90-2002, SEC.156; P.L.256-2003, SEC.15; P.L.228-2005, SEC.21; P.L.2-2006, SEC.38; P.L.154-2006, SEC.44; P.L.169-2006, SEC.9; P.L.1-2007, SEC.42; P.L.146-2008, SEC.160; P.L.182-2009(ss), SEC.123; P.L.137-2012, SEC.26; P.L.218-2013, SEC.2; P.L.183-2014, SEC.21.

IC 6-1.1-17-16.1

Political subdivision budget, tax rates, levies; public hearing request

Sec. 16.1. (a) If a taxpayer of a political subdivision requests a public hearing in the manner required by subsection (b) before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under section 16 of this chapter, the department of local government finance shall hold the hearing in the county in which the political subdivision is located.

(b) A taxpayer may request a public hearing by filing a written request with the county auditor or directly with the department of local government finance in either a paper or electronic format. A county auditor shall forward any requests received under this section to the department of local government finance within two (2)

business days of receipt. The department of local government finance is not required to hold a public hearing under this section unless it receives the taxpayer's request before November 3.

(c) The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several political subdivisions at the same public hearing.

(d) At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

As added by P.L.218-2013, SEC.3.

IC 6-1.1-17-16.2

Certain reports required before approval of budgets and supplemental appropriations

Sec. 16.2. The department of local government finance may not approve the budget of a taxing unit or a supplemental appropriation for a taxing unit until the taxing unit files an annual report under IC 5-11-1-4 or IC 5-11-13 for the preceding calendar year, unless the taxing unit did not exist as of March 1 of the calendar year preceding the ensuing calendar year by two (2) years. This section applies to a taxing unit that is the successor to another taxing unit or the result of a consolidation or merger of more than one (1) taxing unit, if an annual report under IC 5-11-1-4 or IC 5-11-13 has not been filed for each predecessor taxing unit.

As added by P.L.172-2011, SEC.33.

IC 6-1.1-17-16.5

Cumulative building or sinking fund proposal; action by department of local government finance

Sec. 16.5. This section applies in each case in which the department of local government finance has the power to approve or disapprove the tax levy for a cumulative building or sinking fund proposed to be established by a political subdivision. The department may:

(1) approve the tax levy;

(2) disapprove the tax levy; or

(3) modify the tax levy by approving it at any amount less than the tax levy proposed to be established.

As added by Acts 1981, P.L.11, SEC.23. Amended by P.L.90-2002, SEC.157.

IC 6-1.1-17-16.7

Proposals to establish cumulative funds or sinking funds; submission to department of local government finance

Sec. 16.7. (a) A political subdivision that in any year adopts a proposal to establish a cumulative fund or sinking fund under any of the following provisions must submit the proposal to the department of local government finance before August 2 of that year:

IC 3-11-6
IC 8-10-5
IC 8-16-3
IC 8-16-3.1
IC 8-22-3
IC 14-27-6
IC 14-33-21
IC 16-22-5
IC 16-22-8
IC 36-8-14
IC 36-9-4
IC 36-9-14
IC 36-9-14.5
IC 36-9-15
IC 36-9-15.5
IC 36-9-16
IC 36-9-17
IC 36-9-26
IC 36-9-27
IC 36-10-3
IC 36-10-4
IC 36-10-7.5

(b) If a proposal described in subsection (a) is not submitted to the department of local government finance before August 2 of a year, the political subdivision may not levy a tax for the cumulative fund or sinking fund in the ensuing year.

As added by P.L.41-1993, SEC.17. Amended by P.L.2-1995, SEC.23; P.L.1-1995, SEC.45; P.L.90-2002, SEC.158.

IC 6-1.1-17-17

Increase in tax rate and levy by department of local government finance

Sec. 17. Subject to the limitations contained in IC 6-1.1-18.5 and IC 20-46, the department of local government finance may at any time increase the tax rate and tax levy of a political subdivision for the following reasons:

(1) To pay the principal or interest upon a funding, refunding, or judgment funding obligation of a political subdivision.

(2) To pay the interest or principal upon an outstanding obligation of the political subdivision.

(3) To pay a judgment rendered against the political subdivision.

(4) To pay lease rentals that have become an obligation of the political subdivision under IC 20-47-2 or IC 20-47-3.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.8; P.L.90-2002, SEC.159; P.L.2-2006, SEC.39; P.L.146-2008, SEC.161.

IC 6-1.1-17-18
Repealed

(Repealed by P.L.273-1999, SEC.66.)

IC 6-1.1-17-19
Conflicting provisions

Sec. 19. If there is a conflict between the provisions of this chapter and the provisions of IC 6-1.1-18.5 or IC 20-46, the provisions of IC 6-1.1-18.5 and IC 20-46 control with respect to the adoption of, review of, and limitations on budgets, tax rates, and tax levies.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.9; P.L.2-2006, SEC.40; P.L.146-2008, SEC.162.

IC 6-1.1-17-20
Review of proposed budget and levy of taxing unit (other than public libraries) without an elected governing body by city, town, or county fiscal body

Sec. 20. (a) This section applies to each governing body of a taxing unit that is not comprised of a majority of officials who are elected to serve on the governing body. For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include a public library or an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

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

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

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

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

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body. The proposed budget and levy shall be submitted to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

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

(e) The fiscal body of the city, town, or county (whichever

applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the taxing unit. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

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

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any taxing unit subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.
As added by P.L.25-1995, SEC.26. Amended by P.L.1-2004, SEC.19 and P.L.23-2004, SEC.20; P.L.199-2005, SEC.13; P.L.227-2005, SEC.5; P.L.1-2006, SEC.136; P.L.146-2008, SEC.163; P.L.182-2009(ss), SEC.124; P.L.113-2010, SEC.29; P.L.137-2012, SEC.27; P.L.257-2013, SEC.9.

IC 6-1.1-17-20.3
Review of proposed budget and levy of public libraries without an elected governing body by city, town, or county fiscal body

Sec. 20.3. (a) This section applies only to the governing body of a public library that:

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

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

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

(B) one (1).

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

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

(c) If:

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

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

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. However, the governing body shall submit its proposed budget

and property tax levy to the county fiscal body in the manner provided in subsection (d), rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.

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

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

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

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

As added by P.L.137-2012, SEC.28.

IC 6-1.1-17-20.5

Circumstances under which a taxing unit's proposed bonds or lease must be reviewed by the city, town, or county fiscal body

Sec. 20.5. (a) This section applies to the governing body of a taxing unit unless a majority of the governing body is comprised of officials who are elected to serve on the governing body. For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include:

(1) a school corporation; or

(2) an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

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

(2) the assessed valuation of a taxing unit is not entirely

contained within a city or town but the taxing unit was originally established by the city or town;

the governing body of the taxing unit may not issue bonds or enter into a lease payable in whole or in part from property taxes unless it obtains the approval of the city or town fiscal body.

(d) However, in the case of a public library that is subject to this section and is described in subsection (c), the public library may not issue bonds or enter into a lease payable in whole or in part from property taxes unless it obtains the approval of the county fiscal body, rather than the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town. The requirement that the public library must obtain the approval of the county fiscal body (rather than the city or town fiscal body) if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town does not apply to the issuance of bonds or the execution of a lease:

(1) for which a decision or preliminary determination was made under IC 6-1.1-20 before December 31, 2010; or

(2) that is approved by the city or town fiscal body or the county fiscal body before December 31, 2010.

(e) This subsection applies to a taxing unit not described in subsection (c) or (d). The governing body of the taxing unit may not issue bonds or enter into a lease payable in whole or in part from property taxes unless it obtains the approval of the county fiscal body in the county where the taxing unit has the most net assessed valuation.

As added by P.L.146-2008, SEC.164. Amended by P.L.182-2009(ss), SEC.125; P.L.113-2010, SEC.30.

IC 6-1.1-17-21

Powers and duties of city controller in consolidated city

Sec. 21. Notwithstanding any other law, in a county having a consolidated city, the city controller of the consolidated city has all the powers and shall perform all the duties assigned to county auditors under this chapter related to the fixing and reviewing of budgets, tax rates, and tax levies.

As added by P.L.227-2005, SEC.6.

IC 6-1.1-17-22

Operating balance in debt service fund

Sec. 22. (a) In determining the amount of the levy for a debt service fund for an ensuing year, the maximum amount allowed for an operating balance in the debt service fund is the sum of:

(1) fifteen percent (15%) of the budget estimate for the debt service fund for the ensuing year for debt originally incurred after June 30, 2014; plus

(2) fifty percent (50%) of the budget estimate for the debt service fund for the ensuing year for debt originally incurred before July 1, 2014.

If debt is refinanced, the date the refinanced debt was originally incurred, and not the date that the refinancing is closed, is the date to be used for purposes of this subsection.

(b) For purposes of IC 6-1.1-20.6-9.5, the property taxes allowed for an operating balance in the debt service fund under this section may not be construed as an increase in a political subdivision's property tax levy to make up for a reduction in property tax collections resulting from the application of credits under IC 6-1.1-20.6.

As added by P.L.120-2014, SEC.2.

IC 6-1.1-18

Chapter 18. Limitations on Property Tax Rates and Appropriations

IC 6-1.1-18-1

Budget, tax rate, and tax levy; exceeding amount published

Sec. 1. When fixing a budget, tax rate, and tax levy under IC 6-1.1-17-5, the officers of a political subdivision may not fix a budget or tax levy which exceeds the amount published by the political subdivision. The portion of a budget or tax levy which exceeds the published amount is void.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.33-1994, SEC.2.

IC 6-1.1-18-2

Maximum state tax rate

Sec. 2. (a) Before January 1, 2009, the state may not impose a combined ad valorem property tax rate on tangible property that exceeds the sum of the ad valorem property tax rates permitted under IC 4-9.1-1-8, IC 15-1.5-7-3 (before July 1, 2008), and IC 15-13-8-3 (after June 30, 2008, and before January 1, 2009). The state tax rate is not subject to review by county boards of tax adjustment or county auditors.

(b) Except as permitted under IC 4-9.1-1-8 to repay notes issued to meet casual deficits in state revenue, the state may not impose an ad valorem property tax rate on tangible property after December 31, 2008.

(c) This section does not apply to political subdivisions of the state.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.81; P.L.224-2007, SEC.17; P.L.146-2008, SEC.165; P.L.1-2010, SEC.26.

IC 6-1.1-18-3

Maximum political subdivision tax rate

Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) forty-one and sixty-seven hundredths cents ($0.4167) on each one hundred dollars ($100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) sixty-six and sixty-seven hundredths cents ($0.6667) on each one hundred dollars ($100) of assessed valuation in territory inside the corporate limits of a city or town.

(b) The proper officers of a political subdivision shall fix tax rates which are sufficient to provide funds for the purposes itemized in this subsection. The portion of a tax rate fixed by a political subdivision shall not be considered in computing the tax rate limits prescribed in subsection (a) if that portion is to be used for one (1) of the following purposes:

(1) To pay the principal or interest on a funding, refunding, or judgment funding obligation of the political subdivision.
(2) To pay the principal or interest on an outstanding obligation issued by the political subdivision if notice of the sale of the obligation was published before March 9, 1937.
(3) To pay the principal or interest upon:
(A) an obligation issued by the political subdivision to meet an emergency which results from a flood, fire, pestilence, war, or any other major disaster; or
(B) a note issued under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county to acquire necessary equipment or facilities for municipal or county government.
(4) To pay the principal or interest upon an obligation issued in the manner provided in:
(A) IC 6-1.1-20-3 (before its repeal);
(B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2; or
(C) IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6.
(5) To pay a judgment rendered against the political subdivision.

(c) Except as otherwise provided in IC 6-1.1-19 (before January 1, 2009), IC 6-1.1-18.5, IC 20-45 (before January 1, 2009), or IC 20-46, a county board of tax adjustment, a county auditor, or the department of local government finance may review the portion of a tax rate described in subsection (b) only to determine if it exceeds the portion actually needed to provide for one (1) of the purposes itemized in that subsection.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.10; P.L.16-1986, SEC.3; P.L.37-1988, SEC.7; P.L.36-1994, SEC.2; P.L.25-1995, SEC.27; P.L.273-1999, SEC.53; P.L.273-1999, SEC.54; P.L.90-2002, SEC.160; P.L.224-2003, SEC.84; P.L.2-2006, SEC.41; P.L.224-2007, SEC.18; P.L.146-2008, SEC.166; P.L.1-2010, SEC.27.

IC 6-1.1-18-4
Appropriations not to exceed budget

Sec. 4. Except as otherwise provided in this chapter, the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-18-5
Proposed additional appropriations; public hearing

Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

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

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

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

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

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

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

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

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

(g) In making the determination under subsection (f), the department of local government finance shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the department of local government finance disapproves an additional appropriation under subsection (f), the department shall specify the reason for its disapproval on the determination sent to the political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the department of local government finance under this section by filing a written request for reconsideration. A request for reconsideration must:

(1) be filed with the department of local government finance within fifteen (15) days of the receipt of the determination by the political subdivision; and

(2) state with reasonable specificity the reason for the request.

The department of local government finance must act on a request for

reconsideration within fifteen (15) days of receiving the request.

(j) This subsection applies to an additional appropriation by a political subdivision that must have the political subdivision's annual appropriations and annual tax levy adopted by a city, town, or county fiscal body under IC 6-1.1-17-20 or by a legislative or fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city, town, or county that adopted the political subdivision's annual appropriation and annual tax levy must adopt the additional appropriation by ordinance before the department of local government finance may approve the additional appropriation.

(k) This subsection applies to a public library that:

(1) is required to submit the public library's budgets, tax rates, and tax levies for nonbinding review under IC 6-1.1-17-3.5; and

(2) is not required to submit the public library's budgets, tax rates, and tax levies for binding review and approval under IC 6-1.1-17-20.

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

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.46, SEC.2; P.L.69-1983, SEC.5; P.L.57-1991, SEC.1; P.L.17-1995, SEC.4; P.L.90-2002, SEC.161; P.L.137-2012, SEC.29.

IC 6-1.1-18-6

Transfer of money from one budget classification to another

Sec. 6. (a) The proper officers of a political subdivision may transfer money from one major budget classification to another within a department or office if:

(1) they determine that the transfer is necessary;

(2) the transfer does not require the expenditure of more money than the total amount set out in the budget as finally determined under this article; and

(3) the transfer is made at a regular public meeting and by proper ordinance or resolution.

(b) A transfer may be made under this section without notice and without the approval of the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.57-1991, SEC.2; P.L.90-2002, SEC.162; P.L.173-2003, SEC.7 and P.L.256-2003, SEC.16.

IC 6-1.1-18-6.5

Volunteer firefighting purposes; expenditures

Sec. 6.5. Monies raised by taxes levied by a political subdivision and budgeted for volunteer firefighting contracts and purposes, if

appropriated and spent by that political subdivision, shall be appropriated and spent for those purposes only.
As added by Acts 1979, P.L.58, SEC.1.

IC 6-1.1-18-7
Insurance funds; appropriations

Sec. 7. Notwithstanding the other provisions of this chapter, the fiscal officer of a political subdivision may appropriate funds received from an insurance company if:

(1) the funds are received as a result of damage to property of the political subdivision; and

(2) the funds are appropriated for the purpose of repairing or replacing the damaged property.

However, this section applies only if the funds are in fact expended to repair or replace the property within the twelve (12) month period after they are received.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.173-2003, SEC.8.

IC 6-1.1-18-7.5
Appropriation of state and federal grant funds

Sec. 7.5. Notwithstanding any other law, the appropriating body of a political subdivision may appropriate any funds received as a grant from the state or the federal government without using the additional appropriation procedures under section 5 of this chapter, if the funds are provided or designated by the state or the federal government as a reimbursement of an expenditure made by the political subdivision.
As added by P.L.15-2005, SEC.1.

IC 6-1.1-18-8
Expenditure of state funds by political subdivisions; conditions

Sec. 8. (a) Except as provided in subsections (b) and (c) of this section, a political subdivision may not expend any funds which it has received from the state and which it is required to include in its budget estimate under IC 1971, 6-1.1-17-2 unless:

(1) the funds have been included in a budget estimate by the political subdivision; and

(2) the funds have been appropriated by the proper officers of the political subdivision in the amounts and for the specific purposes for which they may be used.

(b) The county council shall appropriate funds for the operation of the county highway department for the entire ensuing budget year for which annual appropriations are being made. The appropriation shall be for an amount which is not less than the greater of:

(1) seventy-five percent (75%) of the total estimated to be in the highway fund in the ensuing budget year; or

(2) ninety-nine percent (99%) of the total estimated to be in the highway fund in the ensuing budget year if the county commissioners file with the county council a four (4) year plan for the construction

and improvement of county highways and a one (1) year plan for the maintenance and repair of the county highways.

(c) In the event of a casualty, accident, or extraordinary emergency, the proper officers of a political subdivision may use state funds to make an additional appropriation under section 5 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-18-9

Reappropriations from erroneous or excessive disbursements; refunds without appropriation

Sec. 9. Notwithstanding the other provisions of this chapter, the proper officer or officers of a political subdivision may:

(1) reappropriate money recovered from erroneous or excessive disbursements if the error and recovery are made within the current budget year; or

(2) refund, without appropriation, money erroneously received.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.178-2002, SEC.26.

IC 6-1.1-18-10

Excessive appropriations; liability of officers; action for recovery

Sec. 10. (a) If the proper officers of a political subdivision make an appropriation for an item which exceeds the amount which they are permitted to appropriate under this chapter, they are guilty of malfeasance in office and are liable to the political subdivision in an amount equal to the sum of one hundred and twenty-five percent (125%) of the excess so appropriated and court cost.

(b) Upon the relation of a taxpayer who owns property which is subject to taxation by the political subdivision, the appropriate prosecuting attorney shall initiate an action in the name of this state to recover the amount for which the proper officers of the political subdivision are liable under this section.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-18-11

Conflicting provisions

Sec. 11. If there is a conflict between the provisions of this chapter and the provisions of IC 6-1.1-18.5 or IC 20-46, the provisions of IC 6-1.1-18.5 and IC 20-46 control with respect to the adoption of, review of, and limitations on budgets, tax rates, and tax levies.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.11; P.L.2-2006, SEC.42; P.L.146-2008, SEC.167.

IC 6-1.1-18-12

Adjustment of maximum tax rates after reassessment or annual adjustment

Sec. 12. (a) For purposes of this section, "maximum rate" refers to the maximum:

(1) property tax rate or rates; or

(2) special benefits tax rate or rates;

referred to in the statutes listed in subsection (d).

(b) The maximum rate for taxes first due and payable after 2003 is the maximum rate that would have been determined under subsection (e) for taxes first due and payable in 2003 if subsection (e) had applied for taxes first due and payable in 2003.

(c) The maximum rate must be adjusted each year to account for the change in assessed value of real property that results from:

(1) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5;

(2) a general reassessment of real property under IC 6-1.1-4-4; or

(3) a reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2.

(d) The statutes to which subsection (a) refers are:

(1) IC 8-10-5-17;
(2) IC 8-22-3-11;
(3) IC 8-22-3-25;
(4) IC 12-29-1-1;
(5) IC 12-29-1-2;
(6) IC 12-29-1-3;
(7) IC 12-29-3-6;
(8) IC 13-21-3-12;
(9) IC 13-21-3-15;
(10) IC 14-27-6-30;
(11) IC 14-33-7-3;
(12) IC 14-33-21-5;
(13) IC 15-14-7-4;
(14) IC 15-14-9-1;
(15) IC 15-14-9-2;
(16) IC 16-20-2-18;
(17) IC 16-20-4-27;
(18) IC 16-20-7-2;
(19) IC 16-22-14;
(20) IC 16-23-1-29;
(21) IC 16-23-3-6;
(22) IC 16-23-4-2;
(23) IC 16-23-5-6;
(24) IC 16-23-7-2;
(25) IC 16-23-8-2;
(26) IC 16-23-9-2;
(27) IC 16-41-15-5;
(28) IC 16-41-33-4;
(29) IC 20-46-2-3 (before its repeal on January 1, 2009);
(30) IC 20-46-6-5;
(31) IC 20-49-2-10;
(32) IC 36-1-19-1;
(33) IC 23-14-66-2;
(34) IC 23-14-67-3;
(35) IC 36-7-13-4;

(36) IC 36-7-14-28;
(37) IC 36-7-15.1-16;
(38) IC 36-8-19-8.5;
(39) IC 36-9-6.1-2;
(40) IC 36-9-17.5-4;
(41) IC 36-9-27-73;
(42) IC 36-9-29-31;
(43) IC 36-9-29.1-15;
(44) IC 36-10-6-2;
(45) IC 36-10-7-7;
(46) IC 36-10-7-8;
(47) IC 36-10-7.5-19;
(48) IC 36-10-13-5;
(49) IC 36-10-13-7;
(50) IC 36-10-14-4;
(51) IC 36-12-7-7;
(52) IC 36-12-7-8;
(53) IC 36-12-12-10;
(54) a statute listed in IC 6-1.1-18.5-9.8; and
(55) any statute enacted after December 31, 2003, that:
(A) establishes a maximum rate for any part of the:
(i) property taxes; or
(ii) special benefits taxes;
imposed by a political subdivision; and
(B) does not exempt the maximum rate from the adjustment under this section.

(e) For property tax rates imposed for property taxes first due and payable after December 31, 2013, the new maximum rate under a statute listed in subsection (d) is the tax rate determined under STEP EIGHT of the following STEPS:

STEP ONE: Except as provided in subsection (g), determine the maximum rate for the political subdivision levying a property tax or special benefits tax under the statute for the previous calendar year.

STEP TWO: Determine the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value of the taxable property from the previous calendar year to the year in which the affected property taxes will be imposed.

STEP THREE: Determine the three (3) calendar years that immediately precede the year in which the affected property taxes will be imposed.

STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the preceding year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Determine the greater of the following:
(A) Zero (0).

(B) The STEP FIVE result.

STEP SEVEN: Determine the greater of the following:

(A) Zero (0).

(B) The result of the STEP TWO percentage minus the STEP SIX percentage, if any.

STEP EIGHT: Determine the quotient of the STEP ONE tax rate divided by the sum of one (1) plus the STEP SEVEN percentage, if any.

(f) The department of local government finance shall compute the maximum rate allowed under subsection (e) and provide the rate to each political subdivision with authority to levy a tax under a statute listed in subsection (d).

(g) This subsection applies only when calculating the maximum rate for taxes due and payable in calendar year 2013. The STEP ONE result is the greater of the following:

(1) The actual maximum rate established for property taxes first due and payable in calendar year 2012.

(2) The maximum rate that would have been established for property taxes first due and payable in calendar year 2012 if the maximum rate had been established under the formula under this section, as amended in the 2012 session of the general assembly.

(h) This subsection applies only when calculating the maximum rate allowed under subsection (e) for the Vincennes Community School Corporation with respect to property taxes first due and payable in 2014. The subsection (e) STEP ONE result for the school corporation's capital projects fund is nineteen and forty-two hundredths cents ($0.1942).

As added by P.L.1-2004, SEC.20 and P.L.23-2004, SEC.21. Amended by P.L.78-2004, SEC.1; P.L.1-2005, SEC.87; P.L.2-2006, SEC.43; P.L.154-2006, SEC.45; P.L.2-2007, SEC.115; P.L.219-2007, SEC.52; P.L.2-2008, SEC.23; P.L.146-2008, SEC.168; P.L.172-2011, SEC.34; P.L.112-2012, SEC.34; P.L.137-2012, SEC.30; P.L.13-2013, SEC.14; P.L.218-2013, SEC.4; P.L.257-2013, SEC.10; P.L.2-2014, SEC.20.

IC 6-1.1-18-12.5

Cumulative fund and capital projects fund loan for 2012

Sec. 12.5. (a) The following definitions apply throughout this section:

(1) "Covered cumulative or capital projects fund" refers to a fund:

(A) that was listed in a prior cumulative or capital projects fund adjustment law; and

(B) for which the ad valorem property tax rate certified by the department of local government finance for property taxes first due and payable in calendar year 2012 is equal to the maximum tax rate permitted by law after the applicable prior cumulative or capital projects fund adjustment law.

(2) "Fiscal body" has the meaning set forth in IC 36-1-2-6.

(3) "Office" refers to the office of management and budget.

(4) "Prior assessed value adjustment law" refers to section 12 of this chapter, section 13 of this chapter (repealed), and IC 6-1.1-18.5-9.8, as effective on January 1, 2012, before the application of the amendments made by HEA 1072-2012.

(5) "Current assessed value adjustment law" refers to section 12 of this chapter, as effective January 1, 2013, after applying the amendments made by HEA 1072-2012.

(b) Before June 1, 2012, the office shall calculate and certify to a taxing unit's fiscal body (for each of a taxing unit's covered cumulative or capital projects funds) the greater of zero (0) or the result of:

(1) the amount of the property tax levy that could have been imposed for the covered cumulative or capital projects fund for property taxes first due and payable in 2012, if the taxing unit had imposed the maximum property tax rate that would have been permitted by law after applying the current assessed value adjustment law as if the current assessed value adjustment law had been in effect and applied to the calculation in calendar year 2012; minus

(2) the amount of the property tax levy that results from the property tax rate that the department of local government certified under IC 6-1.1-17-16 for the covered cumulative or capital projects fund for property taxes first due and payable in calendar year 2012, after applying the prior assessed value adjustment law.

(c) After receiving the certifications required under subsection (b), the taxing unit's fiscal body may, for one (1) or more of the taxing unit's covered cumulative or capital projects funds, adopt an ordinance or a resolution to request a loan under this section to replace part or all of the amount certified under this section to the taxing unit for the fund or funds. To be eligible for a loan under this section, the resolution must:

(1) identify each covered cumulative or capital projects fund for which the taxing unit is seeking a loan;

(2) specify the amount of the loan that the taxing unit is seeking for each covered cumulative or capital projects fund;

(3) agree to impose a property tax levy in calendar year 2013 for the taxing unit's debt service fund to repay in compliance with this section the total amount loaned; and

(4) be certified and received by the office before July 1, 2012.

(d) If the office receives before July 1, 2012, a certified ordinance or resolution that qualifies the taxing unit for a loan under this section, the office shall, before July 15, 2012, distribute to the taxing unit from the state general fund the lesser of the following for each covered cumulative or capital projects fund for which the taxing unit has requested a loan:

(1) The amount requested.

(2) The amount that the office certified for that fund.

No interest or fee may be charged on the amount loaned under this

subsection. An amount sufficient to make the distributions required by this section are appropriated to the office from the state general fund in the state fiscal year beginning July 1, 2012, and ending June 30, 2013.

(e) A taxing unit that receives a loan under this section for one (1) or more covered cumulative or capital projects funds shall deposit the loan in the covered cumulative or capital projects funds for which the taxing unit sought a loan, in proportion to the amount received for each fund. The amount deposited may be used for any of the lawful purposes of that fund.

(f) This subsection applies to a taxing unit that receives a loan under this section. The taxing unit is obligated to repay the amount distributed under this section. The taxing unit shall impose a property tax levy for the taxing unit's debt service fund for property taxes first due and payable in calendar year 2013, equal to the total amount loaned to the taxing unit under this section. The property tax levy under this subsection shall be treated as protected taxes (as defined in IC 6-1.1-20.6-9.8). The taxing unit shall repay the total amount loaned to the taxing unit under this section in two (2) equal installments in calendar year 2013 with the first installment due on the June settlement date specified in 6-1.1-27-3 and the second installment due on the December settlement specified in IC 6-1.1-27-3.

(g) This subsection does not apply to grants from the federal government. Upon the failure of a taxing unit to pay an installment of a loan under this section when due, the treasurer of state may withhold the amount of the unpaid installment, on the schedule determined by the office, from any funds held by the state that would otherwise be due to the taxing unit and deposit the amount in the fund from which the loan was made. If the amount is withheld from a distribution to the county auditor under IC 6-3.5 or another statute that provides for the allocation of the distribution among more than one (1) taxing unit, the amount withheld reduces the allocation of only the taxing unit for which the amount was withheld.

(h) The amount of a loan does not create a debt of the taxing unit for purposes of the Constitution of the State of Indiana.

(i) This SECTION expires January 1, 2015.

As added by P.L.137-2012, SEC.31.

IC 6-1.1-18-13
Repealed

(Repealed by P.L.137-2012, SEC.32.)

IC 6-1.1-18-14
Town of Goodland; debt; levy to repay debt

Sec. 14. (a) As used in this section, "qualified town" means the town of Goodland in Newton County.

(b) Before July 1, 2013, the department shall calculate and certify to the fiscal body of a qualified town the result of:

(1) the amount of the property tax levy that could have been

imposed for property taxes first due and payable in 2013, if the qualified town had imposed the maximum property tax levy that would have been permitted by law if the qualified town had properly submitted its budget and property tax levy information to the department; minus

(2) the amount of the property tax levy approved by the department under IC 6-1.1-17 for property taxes first due and payable in calendar year 2013, after reducing the qualified town's budget and property tax levy because the qualified town's budget and property tax levy information were improperly submitted to the department.

(c) After receiving the certifications required under subsection (b), the fiscal body of the qualified town may adopt an ordinance authorizing the town to borrow money from a financial institution to replace part or all of the amount certified under subsection (b).

(d) If a qualified town receives a loan under this section, the fiscal officer of the qualified town shall deposit the loan in each fund affected by the reduction of the qualified town's budget and property tax levy. The amount deposited may be used for any of the lawful purposes of that fund.

(e) If a qualified town borrows money under subsection (c), the qualified town shall impose a property tax levy in calendar year 2014 for the qualified town's debt service fund to repay the total amount borrowed. The property tax levy under this subsection must be treated as protected taxes (as defined in IC 6-1.1-20.6-9.8).

(f) This section expires June 30, 2015.

As added by P.L.257-2013, SEC.11.

IC 6-1.1-18-15

Town of Zionsville; fire equipment replacement fund

Sec. 15. (a) This section applies to the town of Zionsville in Boone County.

(b) The department of local government finance shall increase the town's maximum permissible ad valorem property tax levy for 2014 by the amount of the actual 2012 property tax levy that was imposed by the town for the fire equipment replacement fund within the fire protection territory in which the town was a participating unit.

(c) The town's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2014, as adjusted under this section, shall be used in the determination of the town's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2014 and thereafter.

(d) This section expires July 1, 2016.

As added by P.L.257-2013, SEC.12.

IC 6-1.1-18-16

Township fire protection and emergency services levies

Sec. 16. (a) This section applies to a township that submitted a petition under P.L.137-2012, SECTION 125, to the department of local government finance for an increase in the maximum permissible

ad valorem property tax levy under IC 36-8-13 (for township fire protection and emergency services) for property taxes first due and payable in 2013.

(b) Notwithstanding the effective date of P.L.137-2012, SECTION 125, the actions of the department of local government finance as a result of the petition are legalized and validated.

(c) This section expires July 1, 2015.

As added by P.L.257-2013, SEC.13.

IC 6-1.1-18-17

School city of Mishawaka; budget advertisement; debt; levy to repay debt

Sec. 17. (a) This section applies only to the school city of Mishawaka.

(b) Notwithstanding any order, decision, or finding of the department of local government finance to the contrary, the budget of the school city of Mishawaka for calendar year 2013 is the budget advertised by the school city under IC 6-1.1-17.

(c) Any order, decision, or finding of the department of local government finance adjusting the calendar year 2013 budget advertised by the school city of Mishawaka is void.

(d) Before July 1, 2013, the department shall calculate and certify to the fiscal body of the school city of Mishawaka the amount of the property tax levy that could have been imposed for property taxes first due and payable in 2013, if the school city had imposed the property tax levy that would have been permitted to fund its budget for 2013.

(e) After receiving the certification required under subsection (d), the fiscal body of the school city of Mishawaka may adopt an ordinance authorizing the school city to borrow money from a financial institution to replace part or all of the amount certified under subsection (d).

(f) If the school city of Mishawaka receives a loan under this section, the fiscal officer of the school city shall deposit the loan in each fund affected by the reduction of the school city's budget and property tax levy. The amount deposited may be used for any of the lawful purposes of that fund.

(g) If the school city of Mishawaka borrows money under subsection (f), the school city shall impose a property tax levy in calendar year 2014 for the school city's debt service fund to repay the total amount borrowed. The property tax levy under this subsection must be treated as protected taxes, as defined in IC 6-1.1-20.6-9.8.

(h) The department of local government finance may not make an order, decision, or finding that adversely affects a budget or levy of the city of Mishawaka because of the changes to the budget and levy of the school city of Mishawaka for calendar year 2013.

(i) This section expires June 30, 2015.

As added by P.L.257-2013, SEC.14.

IC 6-1.1-18-18

Union-Lakeville fire protection territory; provider unit maximum levy

Sec. 18. (a) This section applies to the Union-Lakeville fire protection territory in St. Joseph County.

(b) The executive of the provider unit may, upon approval by the fiscal body of the provider unit, submit a petition to the department of local government finance for an increase in the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2014.

(c) If a petition is submitted under subsection (b), the department of local government finance shall increase the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2014 by the amount necessary to increase the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 to seventy percent (70%) of the amount of the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 that applied to taxes first due and payable in 2006.

(d) A provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2014, as adjusted under this section, shall be used in the determination of the provider unit's maximum permissible ad valorem property tax levy for purposes of IC 36-8-19 for property taxes first due and payable in 2015 and thereafter.

(e) This section expires June 30, 2016.

As added by P.L.257-2013, SEC.15.

IC 6-1.1-18-19

Williams Creek budget advertisement; debt; levy to repay debt

Sec. 19. (a) This section applies only to the town of Williams Creek in Marion County.

(b) Before July 1, 2013, the department shall calculate and certify to the fiscal body of the town of Williams Creek the amount of the property tax levy that could have been imposed for property taxes first due and payable in 2013, if the town had imposed the maximum property tax levy that would have been permitted by law if the town had properly published its budget and property tax levy for 2013.

(c) After receiving the certification required under subsection (b), the fiscal body of the town of Williams Creek may adopt an ordinance authorizing the town to borrow money from a financial institution to replace part or all of the amount certified under subsection (b).

(d) If the town of Williams Creek receives a loan under this section, the fiscal officer of the town shall deposit the loan in each fund affected by the reduction of the town's budget and property tax levy. The amount deposited may be used for any of the lawful purposes of that fund.

(e) If the town of Williams Creek borrows money under subsection (c), the town shall impose a property tax levy in calendar year 2014 for the town's debt service fund to repay the total amount

borrowed. The property tax levy under this subsection must be treated as protected taxes, as defined in IC 6-1.1-20.6-9.8.

(f) This section expires June 30, 2015.

As added by P.L.257-2013, SEC.16.

IC 6-1.1-18-20

City of Lawrence; levy shortfall appeal; levy to recoup shortfall

Sec. 20. (a) This section applies only to the city of Lawrence in Marion County.

(b) The city of Lawrence may appeal under IC 6-1.1-18.5-12 for relief from the property tax levy limitations imposed under IC 6-1.1-18.5-3 for property taxes first due an payable in 2014 to recoup a property tax shortfall that the city experienced as a result of the denial by the department of local government finance of the city's 2013 budget, property tax rates, and property tax levies.

(c) The department of local government finance may find that the city of Lawrence should be granted permission to increase its levy for 2014 in excess of the limitations established under IC 6-1.1-18.5-3 to permit the city to recoup a property tax shortfall that the city experienced as a result of the denial by the department of local government finance of the city's 2013 budget, property tax rates, and property tax levies because of a change in the date of adoption of the city's 2013 budget.

(d) An appeal for a levy under this section may not be denied because of the amount of cash balances in the city of Lawrence's funds. The maximum increase in the city's levy that may be approved under this section is two hundred fifty thousand dollars ($250,000).

(e) This section expires June 30, 2015.

As added by P.L.257-2013, SEC.17.

IC 6-1.1-18-21

Davis Township in Fountain County; fire protection and emergency services; maximum levy

Sec. 21. (a) This section applies to Davis Township in Fountain County.

(b) The executive of the township may, upon approval by the township fiscal body, submit a petition to the department of local government finance for an increase in the maximum permissible ad valorem property tax levy under IC 36-8-13 (for township fire protection and emergency services) for property taxes first due and payable in 2014.

(c) The department of local government finance shall increase the maximum permissible ad valorem property tax levy under IC 36-8-13 for a township that submits a petition under this section by the lesser of:

(1) the amount of the increase requested in the petition; or

(2) the amount necessary to increase the township's maximum permissible ad valorem property tax levy under IC 36-8-13 for property taxes first due and payable in 2014 to the amount of the township's maximum permissible ad valorem property tax

levy under IC 36-8-13 that applied to taxes first due and payable in 2003.

(d) A township's maximum permissible ad valorem property tax levy under IC 36-8-13 for property taxes first due and payable in 2014, as adjusted under this section, shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 36-8-13 for property taxes first due and payable in 2015 and thereafter.

(e) This section expires January 1, 2016.

As added by P.L.257-2013, SEC.18.

IC 6-1.1-18-22

Borrowing by certain qualified taxing units

Sec. 22. (a) As used in this section, "qualified taxing unit" refers to the following taxing units:

(1) DeKalb County.

(2) The town of Middlebury in Elkhart County.

(3) The town of Lewisville in Henry County.

(4) The town of Mooreland in Henry County.

(b) Before July 1, 2014, the department shall calculate and certify to the fiscal body of a qualified taxing unit the result of:

(1) the amount of the property tax levy that could have been imposed for property taxes first due and payable in 2014, if the budgets and levies of the qualified taxing unit had been properly advertised; minus

(2) the amount of the property tax levy approved by the department under IC 6-1.1-17 for property taxes first due and payable in calendar year 2014, after reducing the qualified taxing unit's budget and property tax levy because the qualified taxing unit's budget and property tax levy information were not properly advertised.

(c) After receiving the certifications required under subsection (b), the fiscal body of a qualified taxing unit may adopt an ordinance authorizing the qualified taxing unit to borrow money to replace part or all of the amount certified under subsection (b).

(d) If a qualified taxing unit receives a loan under this section, the fiscal officer of the qualified taxing unit shall deposit the loan in each fund affected by the reduction of the qualified taxing unit's budget and property tax levy. The amount deposited may be used for any of the lawful purposes of that fund.

(e) If a qualified taxing unit borrows money under subsection (c), the qualified taxing unit shall impose a property tax levy in calendar year 2015 for the qualified taxing unit's debt service fund to repay the total amount borrowed. The property tax levy under this subsection must be treated as:

(1) protected taxes (as defined in IC 6-1.1-20.6-9.8); and

(2) property taxes that are exempt from the levy limitations of IC 6-1.1-18.5.

(f) This section expires June 30, 2016.

As added by P.L.183-2014, SEC.22.

IC 6-1.1-18.5

Chapter 18.5. Civil Government Property Tax Controls

IC 6-1.1-18.5-1

Definitions

Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year.

"Adopting county" means any county in which the county adjusted gross income tax is in effect.

"Civil taxing unit" means any taxing unit except a school corporation.

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means, for purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for the March 1, 2010, and January 15, 2011, assessment dates, the maximum permissible ad valorem property tax levy for the preceding calendar year as determined under this section as effective on January 1, 2011. For purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for an assessment date after January 15, 2011, the term means the civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter (regardless of whether the taxing unit imposed the entire amount of the maximum permissible ad valorem property tax levy in the immediately preceding year).

"Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

As added by P.L.73-1983, SEC.1. Amended by P.L.198-2001, SEC.51; P.L.1-2004, SEC.21 and P.L.23-2004, SEC.22; P.L.154-2006, SEC.46; P.L.1-2010, SEC.28; P.L.113-2010, SEC.31; P.L.124-2011, SEC.1.

IC 6-1.1-18.5-2

Assessed value growth quotient

Sec. 2. (a) As used in this section, "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(b) For purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed value growth quotient

determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE quotient.

(B) One and six-hundredths (1.06).

As added by P.L.73-1983, SEC.1. Amended by P.L.44-1984, SEC.1; P.L.198-2001, SEC.52; P.L.192-2002(ss), SEC.35; P.L.224-2007, SEC.19; P.L.1-2008, SEC.3; P.L.230-2013, SEC.2.

IC 6-1.1-18.5-3

Maximum ad valorem property tax levy; formula

Sec. 3. (a) A civil taxing unit may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount of an excessive levy appeal granted under section 13 of this chapter for the ensuing calendar year.

STEP SEVEN: Determine the greater of STEP FIVE or STEP SIX.

(b) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a

civil taxing unit that is located in a county for which:

(1) a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24; or

(2) a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30;

to provide property tax relief in the county. Notwithstanding any provision in this section, any other section of this chapter, or IC 12-20-21-3.2, and except as provided in subsection (c), the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year.

(c) This subsection applies only to property taxes first due and payable after December 31, 2007. In the case of a civil taxing unit that:

(1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30 to provide property tax relief in the county; and

(2) is partially located in a county that is not described in subdivision (1);

the department of local government finance shall, notwithstanding subsection (b), adjust the portion of the civil taxing unit's maximum permissible ad valorem property tax levy that is attributable (as determined by the department of local government finance) to the county or counties described in subdivision (2). The department of local government finance shall adjust this portion of the civil taxing unit's maximum permissible ad valorem property tax levy so that, notwithstanding subsection (b), this portion is allowed to increase as otherwise provided in this section. If the department of local government finance increases the civil taxing unit's maximum permissible ad valorem property tax levy under this subsection, any additional property taxes imposed by the civil taxing unit under the adjustment shall be paid only by the taxpayers in the county or counties described in subdivision (2).

As added by P.L.73-1983, SEC.1. Amended by P.L.64-1986, SEC.1; P.L.78-1987, SEC.4; P.L.151-2001, SEC.4; P.L.198-2001, SEC.53; P.L.1-2002, SEC.21; P.L.192-2002(ss), SEC.36; P.L.1-2003, SEC.25; P.L.224-2007, SEC.20; P.L.146-2008, SEC.169; P.L.42-2011, SEC.7; P.L.172-2011, SEC.35; P.L.234-2013, SEC.1; P.L.153-2014, SEC.1.

IC 6-1.1-18.5-4
Repealed

(Repealed by P.L.172-2011, SEC.161.)

IC 6-1.1-18.5-4.5
Levy adjustment for transfer of duties between assessors

Sec. 4.5. The department of local government finance shall adjust the maximum permissible ad valorem tax levy of each county and township to reflect any transfer of duties between assessors under IC 36-2-15-5 or IC 36-6-5-2 (repealed).
As added by P.L.219-2007, SEC.54. Amended by P.L.1-2010, SEC.29.

IC 6-1.1-18.5-5
Repealed
(Repealed by P.L.172-2011, SEC.161.)

IC 6-1.1-18.5-6
Taxable property; assessed value
Sec. 6. For purposes of STEP THREE of section 3 of this chapter, the assessed value of taxable property is the assessed value of that property as determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for the applicable calendar year, excluding deductions allowed under IC 6-1.1-12 or IC 6-1.1-12.1.
As added by P.L.73-1983, SEC.1. Amended by P.L.44-1984, SEC.2; P.L.198-2001, SEC.54; P.L.3-2008, SEC.44; P.L.172-2011, SEC.37.

IC 6-1.1-18.5-7
Civil taxing unit not subject to levy limits if it did not have levy for immediately preceding year; department of local government finance review of budget, rate, and levy
Sec. 7. (a) A civil taxing unit is not subject to the levy limits imposed by section 3 of this chapter for an ensuing calendar year if the civil taxing unit did not adopt an ad valorem property tax levy for the immediately preceding calendar year.
(b) If under subsection (a) a civil taxing unit is not subject to the levy limits imposed under section 3 of this chapter for a calendar year, the civil taxing unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for that calendar year to the department of local government finance. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for that calendar year. However, a civil taxing unit may not impose a property tax levy for a year if the unit did not exist as of March 1 of the preceding year.
As added by P.L.73-1983, SEC.1. Amended by P.L.25-1995, SEC.28; P.L.90-2002, SEC.163; P.L.224-2007, SEC.21; P.L.146-2008, SEC.170; P.L.182-2009(ss), SEC.126.

IC 6-1.1-18.5-8
Civil taxing unit bond and lease taxes not subject to levy limits; department of local government finance approval; exceptions; judicial review
Sec. 8. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to

levy the taxes to pay or fund either:

(1) bonded indebtedness; or

(2) lease rentals under a lease with an original term of at least five (5) years.

(b) Except as provided by subsections (g) and (h), a civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under IC 6-1.1-20-3.1(2) (as in effect before July 1, 2008), unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:

(1) incur the bonded indebtedness; or

(2) enter into the lease.

(c) The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

(d) A civil taxing unit does not need approval under subsection (b) to obtain temporary loans made in anticipation of and to be paid from current revenues of the civil taxing unit actually levied and in the course of collection for the fiscal year in which the loans are made.

(e) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a calendar year does not include that part of its levy that is committed to fund or pay bond indebtedness or lease rentals with an original term of five (5) years in subsection (a).

(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.

(g) This subsection applies only to bonds, leases, and other obligations for which a civil taxing unit:

(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or

(2) in the case of bonds, leases, or other obligations payable from ad valorem property taxes but not described in subdivision

(1), adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.

Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may issue or enter into bonds, a lease, or any other obligation.

(h) This subsection applies after June 30, 2008. Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may construct, alter, or repair a capital project.

As added by P.L.73-1983, SEC.1. Amended by P.L.25-1995, SEC.29; P.L.90-2002, SEC.164; P.L.256-2003, SEC.17; P.L.224-2007, SEC.22; P.L.146-2008, SEC.171; P.L.182-2009(ss), SEC.127; P.L.218-2013, SEC.5; P.L.183-2014, SEC.23.

IC 6-1.1-18.5-8.1

Maximum property tax levy; fire and emergency services loan repayment

Sec. 8.1. (a) This section applies to a township that is allowed an increase in its maximum permissible ad valorem property tax levy under section 13(c) of this chapter for property taxes first due and payable in 2014.

(b) The property tax levy limit imposed under section 3 of this chapter on the township may be exceeded in calendar years 2014, 2015, and 2016 by:

(1) the amount of ad valorem property taxes imposed by the township to repay money borrowed under IC 36-6-6-14(f); or

(2) the amount of ad valorem property taxes imposed by the township to repay money borrowed under IC 36-6-6-14(b) in 2012 or 2013;

but not both.

(c) For purposes of computing the ad valorem property tax levy limit imposed on a township under section 3 of this chapter, the township's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed to repay money borrowed under IC 36-6-6-14(f).

As added by P.L.218-2013, SEC.6. Amended by P.L.2-2014, SEC.21.

IC 6-1.1-18.5-9

Exemption from levy limits; major bridge fund

Sec. 9. The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit under IC 8-16-3.1. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 8-16-3.1.

As added by P.L.73-1983, SEC.1.

IC 6-1.1-18.5-9.5
Application of property tax levy limits to certain port authority expenses

Sec. 9.5. (a) This section applies to civil taxing units located in a county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000).

(b) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit under IC 8-10-5-17. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 8-10-5-17.

As added by P.L.24-1984, SEC.5. Amended by P.L.12-1992, SEC.19; P.L.170-2002, SEC.20; P.L.119-2012, SEC.32.

IC 6-1.1-18.5-9.7
Ad valorem property tax; computation

Sec. 9.7. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed under IC 12-20-24.

(b) For purposes of computing the ad valorem property tax levy limits imposed under section 3 of this chapter, a county's or township's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under the citations listed in subsection (a).

(c) Notwithstanding subsections (a) and (b), the ad valorem property tax levy limits imposed by section 3 of this chapter apply to property taxes imposed under IC 12-20-24 after December 31, 2008, to pay principal and interest on any short term loans obtained under IC 12-20 after December 31, 2008.

As added by P.L.45-1984, SEC.1. Amended by P.L.16-1986, SEC.4; P.L.2-1992, SEC.60; P.L.36-1994, SEC.3; P.L.52-1996, SEC.1; P.L.273-1999, SEC.55; P.L.224-2003, SEC.85; P.L.146-2008, SEC.172.

IC 6-1.1-18.5-9.8
Exemption from levy limits of certain cumulative fund taxes

Sec. 9.8. For purposes of determining the property tax levy limit imposed on a city, town, or county under section 3 of this chapter, the city, town, or county's ad valorem property tax levy for a particular calendar year does not include an amount equal to the lesser of:

(1) the amount of ad valorem property taxes that would be first due and payable to the city, town, or county during the ensuing calendar year if the taxing unit imposed the maximum permissible property tax rate per one hundred dollars ($100) of assessed valuation that the civil taxing unit may impose for the particular calendar year under the authority of IC 36-9-14.5 (in the case of a county) or IC 36-9-15.5 (in the case of a city or

town); or

(2) the excess, if any, of:

(A) the property taxes imposed by the city, town, or county under the authority of:

IC 3-11-6-9;
IC 8-16-3;
IC 8-16-3.1;
IC 8-22-3-25;
IC 14-27-6-48;
IC 14-33-9-3;
IC 16-22-8-41;
IC 16-22-5-2 through IC 16-22-5-15;
IC 16-23-1-40;
IC 36-8-14;
IC 36-9-4-48;
IC 36-9-14;
IC 36-9-14.5;
IC 36-9-15;
IC 36-9-15.5;
IC 36-9-16;
IC 36-9-16.5;
IC 36-9-17;
IC 36-9-26;
IC 36-9-27-100;
IC 36-10-3-21; or
IC 36-10-4-36;

that are first due and payable during the ensuing calendar year; over

(B) the property taxes imposed by the city, town, or county under the authority of the citations listed in clause (A) that were first due and payable during calendar year 1984.

As added by P.L.44-1984, SEC.3. Amended by P.L.5-1986, SEC.13; P.L.2-1993, SEC.55; P.L.1-1995, SEC.46; P.L.17-1995, SEC.5; P.L.25-1995, SEC.30; P.L.90-2002, SEC.165; P.L.219-2007, SEC.55; P.L.172-2011, SEC.38; P.L.112-2012, SEC.36; P.L.137-2012, SEC.33; P.L.13-2013, SEC.15.

IC 6-1.1-18.5-9.9
Repealed

(Repealed by P.L.137-2012, SEC.34.)

IC 6-1.1-18.5-10
Civil taxing unit levy limit exceptions related to community mental health centers and community mental retardation and other developmental disabilities centers levy growth limitation

Sec. 10. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit to be used to fund:

(1) community mental health centers under:

(A) IC 12-29-2-1.2, for only those civil taxing units that

authorized financial assistance under IC 12-29-1 before 2002 for a community mental health center as long as the tax levy under this section does not exceed the levy authorized in 2002;

(B) IC 12-29-2-2 through IC 12-29-2-5; and

(C) IC 12-29-2-13; or

(2) community mental retardation and other developmental disabilities centers under IC 12-29-1-1;

to the extent that those property taxes are attributable to any increase in the assessed value of the civil taxing unit's taxable property caused by a general reassessment of real property under IC 6-1.1-4-4 or a reassessment of real property under a reassessment plan prepared under IC 6-1.1-4-4.2 that took effect after February 28, 1979.

(b) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy described in subsection (a).

(c) This subsection applies to property taxes first due and payable after December 31, 2008. Notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:

(1) the assessed value growth quotient determined under section 2 of this chapter; minus

(2) one (1).

(d) For a county that:

(1) did not impose an ad valorem property tax levy in 2008 for the county general fund to provide financial assistance under IC 12-29-1 (community mental retardation and other developmental disabilities center) or IC 12-29-2 (community mental health center); and

(2) determines for 2009 or a later calendar year to impose a levy as described in subdivision (1);

the ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to the part of the county's general fund levy that is used in the first calendar year for which a determination is made under subdivision (2) to provide financial assistance under IC 12-29-1 or IC 12-29-2. The department of local government finance shall review a county's proposed budget that is submitted under IC 12-29-1-1 or IC 12-29-2-1.2 and make a final determination of the amount to which the levy limits do not apply under this subsection for the first calendar year for which a determination is made under subdivision (2).

(e) The ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to the county's general fund levy in the amount determined by the department of local government finance under subsection (d) in each calendar year following the calendar year for which the determination under subsection (b) is made.

As added by P.L.73-1983, SEC.1. Amended by P.L.2-1992, SEC.61; P.L.24-1997, SEC.4; P.L.78-2004, SEC.2; P.L.146-2008, SEC.174; P.L.182-2009(ss), SEC.128; P.L.112-2012, SEC.37.

IC 6-1.1-18.5-10.1
Exemption from levy limits; supplemental juror fees

Sec. 10.1. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a county, city, or town to supplemental juror fees adopted under IC 33-37-10-1, to the extent provided in subsections (b) and (c).

(b) Subject to subsection (c), for purposes of determining the property tax levy limit imposed on a county, city, or town under section 3 of this chapter, the county, city, or town's ad valorem property tax levy for a calendar year does not include an amount equal to:

(1) the average annual expenditures for nonsupplemental juror fees under IC 33-37-10-1, using the five (5) most recent years for which expenditure amounts are available; multiplied by

(2) the percentage increase in juror fees that is attributable to supplemental juror fees under the most recent ordinance adopted under IC 33-37-10-1.

(c) For property taxes first due and payable after December 31, 2008, property taxes may be excluded under subsection (b) from the ad valorem property tax levy limits imposed by section 3 of this chapter only to the extent that:

(1) the county fiscal body adopts a resolution approving some or all of the property taxes that may be excluded by a city or town under subsection (b), in the case of property taxes imposed by a city or town; or

(2) the county fiscal body adopts a resolution:

(A) that approves some or all of the property taxes that may be excluded by the county under subsection (b); and

(B) that explains why the exclusion under subsection (b) is necessary and in the best interest of taxpayers;

in the case of property taxes imposed by the county.

In the case of a city or town located in more than one (1) county, the exclusion under subsection (b) must be approved by the fiscal body of the county in which the greatest part of the city's or town's net assessed valuation is located.

As added by P.L.58-1988, SEC.1. Amended by P.L.98-2004, SEC.71; P.L.146-2008, SEC.175.

IC 6-1.1-18.5-10.2
Taxes levied for township firefighting fund; treatment in computation of levy limit

Sec. 10.2. For purposes of determining the property tax levy limit imposed on a township under section 3 of this chapter, the township ad valorem property tax levy for a particular calendar year does not include the amount, if any, of ad valorem property taxes that would

be first due and payable to the township during the ensuing calendar year under the authority of IC 36-8-13-4. The amount of ad valorem property taxes levied by the township under the authority of IC 36-8-13-4 shall, for purposes of the property tax levy limits imposed under section 3 of this chapter, be treated as if that levy were made by a separate civil taxing unit.
As added by P.L.343-1989(ss), SEC.1.

IC 6-1.1-18.5-10.3
Levy limit on taxes by library board for capital projects fund; exemption

Sec. 10.3. (a) This subsection does not apply to property taxes first due and payable after December 31, 2008. The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a library board for a capital projects fund under IC 36-12-12. However, the maximum amount that is exempt from the levy limits under this section may not exceed the property taxes that would be raised in the ensuing calendar year with a property tax rate of one and thirty-three hundredths cents ($0.0133) per one hundred dollars ($100) of assessed valuation.

(b) This subsection does not apply to property taxes first due and payable after December 31, 2008. For purposes of computing the ad valorem property tax levy limit imposed on a library board under section 3 of this chapter, the library board's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-12-12 that is exempt from the ad valorem property tax levy limits under subsection (a).
As added by P.L.35-1990, SEC.8. Amended by P.L.6-1997, SEC.83; P.L.1-2005, SEC.88; P.L.231-2005, SEC.1; P.L.146-2008, SEC.176.

IC 6-1.1-18.5-10.4
Levy limit on taxes imposed by township or reorganized unit that includes a township; exemption

Sec. 10.4. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a township or a fire protection district under IC 36-8-14.

(b) For purposes of computing the ad valorem property tax levy limit imposed on a township or a fire protection district under section 3 of this chapter, the township's or the fire protection district's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-14.

(c) In the case of a reorganization under IC 36-1.5 that includes a township and another political subdivision:

(1) the ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to any of the ad valorem property taxes imposed by the reorganized political subdivision under IC 36-8-14; and

(2) for purposes of computing the ad valorem property tax levy limit imposed on the reorganized political subdivision under section 3 of this chapter, the reorganized political subdivision's

ad valorem property tax levy for a particular calendar year does not include any part of the levy imposed under IC 36-8-14;

notwithstanding section 9.8 of this chapter.

As added by P.L.35-1990, SEC.9. Amended by P.L.36-2000, SEC.1; P.L.255-2013, SEC.1.

IC 6-1.1-18.5-10.5

Civil taxing unit levy limit exceptions related to fire protection territories; levy growth limitation; department of local government finance determination of budget, rate, and levy for civil taxing unit that joins fire protection territory

Sec. 10.5. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19, if the civil taxing unit is a participating unit in a fire protection territory established before August 1, 2001. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter on a civil taxing unit that is a participating unit in a fire protection territory, established before August 1, 2001, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-19. Any property taxes imposed by a civil taxing unit that are exempted by this subsection from the ad valorem property tax levy limits imposed by section 3 of this chapter and first due and payable after December 31, 2008, may not increase annually by a percentage greater than the result of:

(1) the assessed value growth quotient determined under section 2 of this chapter; minus

(2) one (1).

(b) The department of local government finance may, under this subsection, increase the maximum permissible ad valorem property tax levy that would otherwise apply to a civil taxing unit under section 3 of this chapter to meet the civil taxing unit's obligations to a fire protection territory established under IC 36-8-19. To obtain an increase in the civil taxing unit's maximum permissible ad valorem property tax levy, a civil taxing unit shall submit a petition to the department of local government finance in the year immediately preceding the first year in which the civil taxing unit levies a tax to support the fire protection territory. The petition must be filed before the date specified in section 12(a)(1) of this chapter of that year. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for the fire protection territory for the ensuing calendar year. In making its determination under this subsection, the department of local government finance shall consider the amount that the civil taxing unit is obligated to provide to meet the expenses of operation and maintenance of the fire protection services within the territory, including the participating unit's reasonable share of an operating balance for the fire protection

territory. The department of local government finance shall determine the entire amount of the allowable adjustment in the final determination. The department shall order the adjustment implemented in the amounts and over the number of years, not exceeding three (3), requested by the petitioning civil taxing unit. However, the department of local government finance may not approve under this subsection a property tax levy greater than zero (0) if the civil taxing unit did not exist as of the March 1 assessment date for which the tax levy will be imposed. For purposes of applying this subsection to the civil taxing unit's maximum permissible ad valorem property tax levy in subsequent calendar years, the department of local government finance may determine not to consider part or all of the part of the property tax levy imposed to establish the operating balance of the fire protection territory.
As added by P.L.37-1994, SEC.1. Amended by P.L.240-2001, SEC.1; P.L.146-2008, SEC.177; P.L.182-2009(ss), SEC.129; P.L.113-2010, SEC.32.

IC 6-1.1-18.5-11
Repealed
(Repealed by P.L.182-2009(ss), SEC.467.)

IC 6-1.1-18.5-12
Civil taxing unit appeal to department of local government finance for relief from levy limits; department procedure and summons for appearance or production of books and records

Sec. 12. (a) Any civil taxing unit that determines that it cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter may:

(1) before October 20 of the calendar year immediately preceding the ensuing calendar year; or

(2) in the case of a request described in section 16 of this chapter, before December 31 of the calendar year immediately preceding the ensuing calendar year;

appeal to the department of local government finance for relief from those levy limitations. In the appeal the civil taxing unit must state that it will be unable to carry out the governmental functions committed to it by law unless it is given the authority that it is petitioning for. The civil taxing unit must support these allegations by reasonably detailed statements of fact.

(b) The department of local government finance shall immediately proceed to the examination and consideration of the merits of the civil taxing unit's appeal.

(c) In considering an appeal, the department of local government finance has the power to conduct hearings, require any officer or member of the appealing civil taxing unit to appear before it, or require any officer or member of the appealing civil taxing unit to provide the department with any relevant records or books.

(d) If an officer or member:

(1) fails to appear at a hearing after having been given written

notice requiring that person's attendance; or

(2) fails to produce the books and records that the department by written notice required the officer or member to produce;

then the department may file an affidavit in the circuit court in the jurisdiction in which the officer or member may be found setting forth the facts of the failure.

(e) Upon the filing of an affidavit under subsection (d), the circuit court shall promptly issue a summons, and the sheriff of the county within which the circuit court is sitting shall serve the summons. The summons must command the officer or member to appear before the department to provide information to the department or to produce books and records for the department's use, as the case may be. Disobedience of the summons constitutes, and is punishable as, a contempt of the circuit court that issued the summons.

(f) All expenses incident to the filing of an affidavit under subsection (d) and the issuance and service of a summons shall be charged to the officer or member against whom the summons is issued, unless the circuit court finds that the officer or member was acting in good faith and with reasonable cause. If the circuit court finds that the officer or member was acting in good faith and with reasonable cause or if an affidavit is filed and no summons is issued, the expenses shall be charged against the county in which the affidavit was filed and shall be allowed by the proper fiscal officers of that county.

(g) The fiscal officer of a civil taxing unit that appeals under section 16 of this chapter for relief from levy limitations shall immediately file a copy of the appeal petition with the county auditor and the county treasurer of the county in which the unit is located.

As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.167; P.L.178-2002, SEC.27; P.L.23-2004, SEC.23; P.L.67-2006, SEC.2; P.L.219-2007, SEC.56; P.L.224-2007, SEC.24; P.L.3-2008, SEC.45; P.L.146-2008, SEC.179; P.L.182-2009(ss), SEC.130.

IC 6-1.1-18.5-13

Types of relief available to civil taxing unit in appeal for relief from levy limits

Sec. 13. (a) With respect to an appeal filed under section 12 of this chapter, the department may find that a civil taxing unit should receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the department the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas or persons. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one

(1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

(A) The first calendar year in which those costs are incurred.

(B) One (1) or more of the immediately succeeding four (4) calendar years.

(2) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's estimate of the unit's share of the costs of operating a court for the first full calendar year in which it is in existence. For purposes of this subdivision, costs of operating a court include:

(A) the cost of personal services (including fringe benefits);

(B) the cost of supplies; and

(C) any other cost directly related to the operation of the court.

(3) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the department finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property under IC 6-1.1-4-4 does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the assessed value growth quotient determined under section 2 of this chapter.

(4) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township's need for an increased levy, the local government tax control board shall not consider the amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:

(A) ten thousand dollars ($10,000); or

(B) twenty percent (20%) of:

(i) the amount authorized for operating expenses of a

volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus

(ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under this chapter; minus

(iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.

(5) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and contributions made by a civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil taxing unit by the state.

(6) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's township assistance ad valorem property tax rate is less than one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars ($100) of assessed valuation before the increase.

(7) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in

excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent ($0.01) per one hundred dollars ($100) of assessed valuation.

(8) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase the unit's levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the civil taxing unit is:

(i) a county having a population of more than one hundred seventy thousand (170,000) but less than one hundred seventy-five thousand (175,000);

(ii) a city having a population of more than sixty-five thousand (65,000) but less than seventy thousand (70,000);

(iii) a city having a population of more than twenty-nine thousand five hundred (29,500) but less than twenty-nine thousand six hundred (29,600);

(iv) a city having a population of more than thirteen thousand four hundred fifty (13,450) but less than thirteen thousand five hundred (13,500); or

(v) a city having a population of more than eight thousand seven hundred (8,700) but less than nine thousand (9,000); and

(B) the increase is necessary to provide funding to undertake removal (as defined in IC 13-11-2-187) and remedial action (as defined in IC 13-11-2-185) relating to hazardous substances (as defined in IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents ($0.0667) for each one hundred dollars ($100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem

property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

(9) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a county:

(A) having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000) to increase the county's levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the county needs the increase to meet the county's share of the costs of operating a jail or juvenile detention center, including expansion of the facility, if the jail or juvenile detention center is opened after December 31, 1991;

(B) that operates a county jail or juvenile detention center that is subject to an order that:

(i) was issued by a federal district court; and

(ii) has not been terminated;

(C) that operates a county jail that fails to meet:

(i) American Correctional Association Jail Construction Standards; and

(ii) Indiana jail operation standards adopted by the department of correction; or

(D) that operates a juvenile detention center that fails to meet standards equivalent to the standards described in clause (C) for the operation of juvenile detention centers.

Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or a juvenile detention center shall be considered individually, if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or a juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation.

(10) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township, enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection. However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent

(50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second time for an increase under this subdivision if the township wants to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal.

(11) Permission to a city having a population of more than thirty-one thousand five hundred (31,500) but less than thirty-one thousand seven hundred twenty-five (31,725) to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) an appeal was granted to the city under this section to reallocate property tax replacement credits under IC 6-3.5-1.1 in 1998, 1999, and 2000; and

(B) the increase has been approved by the legislative body of the city, and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of property tax replacement credits under IC 6-3.5-1.1 that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

(12) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter due to a natural disaster, an accident, or another unanticipated emergency.

(13) Permission to Jefferson County to increase its levy in excess of the limitations established under section 3 of this chapter if the department finds that the county experienced a property tax revenue shortfall that resulted from an erroneous estimate of the effect of the supplemental deduction under IC 6-1.1-12-37.5 on the county's assessed valuation. An appeal for a levy increase under this subdivision may not be denied because of the amount of cash balances in county funds. The maximum increase in the county's levy that may be approved under this subdivision is three hundred thousand dollars ($300,000).

(b) The department of local government finance shall increase the maximum permissible ad valorem property tax levy under section 3 of this chapter for the city of Goshen for 2012 and thereafter by an amount equal to the greater of zero (0) or the result of:

(1) the city's total pension costs in 2009 for the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund

(IC 36-8-7); minus

(2) the sum of:

(A) the total amount of state funds received in 2009 by the city and used to pay benefits to members of the 1925 police pension fund (IC 36-8-6) or the 1937 firefighters' pension fund (IC 36-8-7); plus

(B) any previous permanent increases to the city's levy that were authorized to account for the transfer to the state of the responsibility to pay benefits to members of the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7).

(c) In calendar year 2013, the department of local government finance shall allow a township to increase its maximum permissible ad valorem property tax levy in excess of the limitations established under section 3 of this chapter, if the township:

(1) petitions the department for the levy increase on a form prescribed by the department; and

(2) submits proof of the amount borrowed in 2012 or 2013, but not both, under IC 36-6-6-14 to furnish fire protection for the township or a part of the township.

The maximum increase in a township's levy that may be allowed under this subsection is the amount borrowed by the township under IC 36-6-6-14 in the year for which proof was submitted under subdivision (2). An increase allowed under this subsection applies to property taxes first due and payable after December 31, 2013.

As added by P.L.73-1983, SEC.1. Amended by P.L.74-1983, SEC.1; P.L.44-1984, SEC.4; P.L.24-1986, SEC.17; P.L.83-1987, SEC.1; P.L.84-1987, SEC.1; P.L.54-1988, SEC.3; P.L.35-1990, SEC.10; P.L.2-1992, SEC.62; P.L.12-1992, SEC.20; P.L.1-1993, SEC.29; P.L.67-1993, SEC.1; P.L.66-1993, SEC.1; P.L.25-1995, SEC.31; P.L.87-1995, SEC.1; P.L.6-1997, SEC.85; P.L.181-2001, SEC.1; P.L.198-2001, SEC.55; P.L.1-2002, SEC.22; P.L.89-2002, SEC.1; P.L.192-2002(ss), SEC.37; P.L.256-2003, SEC.18; P.L.245-2003, SEC.16; P.L.224-2003, SEC.246; P.L.1-2004, SEC.22 and P.L.23-2004, SEC.24; P.L.73-2005, SEC.4; P.L.80-2006, SEC.1; P.L.154-2006, SEC.47; P.L.196-2007, SEC.2; P.L.224-2007, SEC.25; P.L.3-2008, SEC.46; P.L.146-2008, SEC.180; P.L.182-2009(ss), SEC.131; P.L.172-2011, SEC.39; P.L.119-2012, SEC.33; P.L.112-2012, SEC.38; P.L.218-2013, SEC.7.

IC 6-1.1-18.5-13.3
Repealed

(Repealed by P.L.83-1987, SEC.2.)

IC 6-1.1-18.5-13.5
Limit on amount of levy appeal relief for certain towns for the cost of furnishing fire protection

Sec. 13.5. A levy increase may not be granted under this section for property taxes first due and payable after December 31, 2009. With respect to an appeal filed under section 12 of this chapter, the department of local government finance may give permission to a

town having a population of more than three hundred (300) but less than four hundred (400) located in a county having a population of more than sixty-eight thousand nine hundred (68,900) but less than seventy thousand (70,000) to increase its levy in excess of the limitations established under section 3 of this chapter, if the department finds that the town needs the increase to pay the costs of furnishing fire protection for the town. However, any increase in the amount of the town's levy under this section for the ensuing calendar year may not exceed the greater of:

(1) twenty-five thousand dollars ($25,000); or

(2) twenty percent (20%) of the sum of:

(A) the amount authorized for the cost of furnishing fire protection in the town's budget for the immediately preceding calendar year; plus

(B) the amount of any additional appropriations authorized under IC 6-1.1-18-5 during that calendar year for the town's use in paying the costs of furnishing fire protection.

As added by P.L.60-1986, SEC.2. Amended by P.L.12-1992, SEC.21; P.L.25-1995, SEC.32; P.L.90-2002, SEC.168; P.L.224-2007, SEC.26; P.L.182-2009(ss), SEC.132; P.L.119-2012, SEC.34.

IC 6-1.1-18.5-13.6

Civil taxing unit appeal to department of local government finance for relief from levy limits related to voting systems

Sec. 13.6. A levy increase may not be granted under this section for property taxes first due and payable after December 31, 2008. For an appeal filed under section 12 of this chapter, the department of local government finance may give permission to a county to increase its levy in excess of the limitations established under section 3 of this chapter if the department finds that the county needs the increase to pay for:

(1) a new voting system; or

(2) the expansion or upgrade of an existing voting system;

under IC 3-11-6.

As added by P.L.178-2002, SEC.28. Amended by P.L.224-2007, SEC.27; P.L.146-2008, SEC.181; P.L.182-2009(ss), SEC.133.

IC 6-1.1-18.5-13.7

Adjustment of certain maximum levies

Sec. 13.7. (a) Notwithstanding any other provision of this chapter, Fairfield Township in Tippecanoe County may request that the department of local government finance make an adjustment to the township's maximum permissible property tax levy.

(b) The amount of the requested adjustment may not exceed one hundred thirty thousand dollars ($130,000) for each year.

(c) For a township that made a request for an adjustment in an amount not exceeding the limit prescribed by subsection (b), the department of local government finance shall make the adjustment a permanent adjustment to the township's maximum permissible ad valorem property tax levy.

As added by P.L.172-2011, SEC.40. Amended by P.L.166-2014, SEC.3.

IC 6-1.1-18.5-14
Department of local government finance correction of certain levy and rate errors

Sec. 14. (a) The department of local government finance may order a correction of any advertising error, mathematical error, or error in data made at the local level for any calendar year if the department finds that the error affects the determination of the limitations established by section 3 of this chapter or the tax rate or levy of a civil taxing unit. The department of local government finance may on its own initiative correct such an advertising error, mathematical error, or error in data for any civil taxing unit.

(b) A correction made under subsection (a) for a prior calendar year shall be applied to the civil taxing unit's levy limitations, rate, and levy for the ensuing calendar year to offset any cumulative effect that the error caused in the determination of the civil taxing unit's levy limitations, rate, or levy for the ensuing calendar year.

As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.169; P.L.224-2007, SEC.28; P.L.146-2008, SEC.182; P.L.182-2009(ss), SEC.134.

IC 6-1.1-18.5-15
Judicial review of department of local government finance correction of certain levy and rate errors

Sec. 15. (a) The department of local government finance, upon making a finding under section 13 or 14 of this chapter, shall enter an order setting forth its final determination.

(b) A civil taxing unit may petition for judicial review of the final determination made by the department of local government finance under subsection (a). The action must be taken to the tax court under IC 6-1.1-15 in the same manner that an action is taken to appeal a final determination of the Indiana board. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under subsection (a).

As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.170; P.L.256-2003, SEC.19; P.L.224-2007, SEC.29; P.L.146-2008, SEC.183; P.L.182-2009(ss), SEC.135.

IC 6-1.1-18.5-16
Civil taxing unit appeal to department of local government finance for relief from levy limits related to revenue shortfall related to erroneous assessed valuation

Sec. 16. (a) A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 of this chapter if:

(1) the civil taxing unit experienced a property tax revenue shortfall that resulted from erroneous assessed valuation figures being provided to the civil taxing unit;

(2) the erroneous assessed valuation figures were used by the

civil taxing unit in determining its total property tax rate; and

(3) the error in the assessed valuation figures was found after the civil taxing unit's property tax levy resulting from that total rate was finally approved by the department of local government finance.

(b) A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 of this chapter if the civil taxing unit experienced a property tax revenue shortfall because of the payment of refunds that resulted from appeals under this article and IC 6-1.5.

(c) If the department determines that a shortfall described in subsection (a) or (b) has occurred, the department of local government finance may find that the civil taxing unit should be allowed to impose a property tax levy exceeding the limit imposed by section 3 of this chapter. However, the maximum amount by which the civil taxing unit's levy may be increased over the limits imposed by section 3 of this chapter equals the remainder of the civil taxing unit's property tax levy for the particular calendar year as finally approved by the department of local government finance minus the actual property tax levy collected by the civil taxing unit for that particular calendar year.

(d) Any property taxes collected by a civil taxing unit over the limits imposed by section 3 of this chapter under the authority of this section may not be treated as a part of the civil taxing unit's maximum permissible ad valorem property tax levy for purposes of determining its maximum permissible ad valorem property tax levy for future years.

(e) If the department of local government finance authorizes an excess tax levy under this section, it shall take appropriate steps to insure that the proceeds are first used to repay any loan made to the civil taxing unit for the purpose of meeting its current expenses.

As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.171; P.L.1-2004, SEC.23 and P.L.23-2004, SEC.25; P.L.224-2007, SEC.30; P.L.146-2008, SEC.184; P.L.182-2009(ss), SEC.136.

IC 6-1.1-18.5-17

Civil taxing unit levy excess fund; use of fund

Sec. 17. (a) As used in this section, "levy excess" means the part of the ad valorem property tax levy actually collected by a civil taxing unit, for taxes first due and payable during a particular calendar year, that exceeds the civil taxing unit's ad valorem property tax levy, as approved by the department of local government finance under IC 6-1.1-17. The term does not include delinquent ad valorem property taxes collected during a particular year that were assessed for an assessment date that precedes the assessment date for the current year in which the ad valorem property taxes are collected.

(b) A civil taxing unit's levy excess is valid and may not be contested on the grounds that it exceeds the civil taxing unit's levy limit for the applicable calendar year. However, the civil taxing unit

shall deposit, except as provided in subsections (h) and (i), its levy excess in a special fund to be known as the civil taxing unit's levy excess fund.

(c) The chief fiscal officer of a civil taxing unit may invest money in the civil taxing unit's levy excess fund in the same manner in which money in the civil taxing unit's general fund may be invested. However, any income derived from investment of the money shall be deposited in and becomes a part of the levy excess fund.

(d) The department of local government finance shall require a civil taxing unit to include the amount in its levy excess fund in the civil taxing unit's budget fixed under IC 6-1.1-17.

(e) Except as provided by subsection (f), a civil taxing unit may not spend any money in its levy excess fund until the expenditure of the money has been included in a budget that has been approved by the department of local government finance under IC 6-1.1-17. For purposes of fixing its budget and for purposes of the ad valorem property tax levy limits imposed under this chapter, a civil taxing unit shall treat the money in its levy excess fund that the department of local government finance permits it to spend during a particular calendar year as part of its ad valorem property tax levy for that same calendar year.

(f) A civil taxing unit may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the civil taxing unit as a result of refunds paid under IC 6-1.1-26.

(g) Subject to the limitations imposed by this section, a civil taxing unit may use money in its levy excess fund for any lawful purpose for which money in any of its other funds may be used.

(h) If the amount that would, notwithstanding this subsection, be deposited in the levy excess fund of a civil taxing unit for a particular calendar year is less than one hundred dollars ($100), no money shall be deposited in the levy excess fund of the unit for that year.

(i) This subsection applies only to a civil taxing unit that:

(1) has a levy excess for a particular calendar year;

(2) in the preceding calendar year experienced a shortfall in property tax collections below the civil taxing unit's property tax levy approved by the department of local government finance under IC 6-1.1-17; and

(3) did not receive permission from the department to impose, because of the shortfall in property tax collections in the preceding calendar year, a property tax levy that exceeds the limits imposed by section 3 of this chapter.

The amount that a civil taxing unit subject to this subsection must transfer to the civil taxing unit's levy excess fund in the calendar year in which the excess is collected shall be reduced by the amount of the civil taxing unit's shortfall in property tax collections in the preceding calendar year (but the reduction may not exceed the amount of the civil taxing unit's levy excess).

As added by P.L.73-1983, SEC.1. Amended by P.L.64-1985, SEC.1; P.L.90-2002, SEC.172; P.L.23-2004, SEC.26 and P.L.1-2004,

SEC.24; P.L.154-2006, SEC.48; P.L.219-2007, SEC.57; P.L.182-2009(ss), SEC.137.

IC 6-1.1-18.5-18
Citation to prior law; continued effect of rules

Sec. 18. (a) If a provision of the prior property tax control law for civil taxing units (IC 6-3.5-1) has been replaced in the same form or in a restated form by a provision of this chapter, then a citation to the provision of the prior law shall be construed as a citation to the corresponding provision of this chapter.

(b) Any rule adopted under, and applicable to, the prior property tax control law for civil taxing units (IC 6-3.5-1) continues in effect under this article if the provisions under which it was adopted and to which it was applicable were replaced, in the same or restated form, by corresponding provisions of this chapter.
As added by P.L.73-1983, SEC.1.

IC 6-1.1-18.5-19
Levy limit on taxes for township firefighting fund

Sec. 19. (a) If a township levied an ad valorem property tax levy for a township firefighting fund under IC 36-8-13-4 for calendar year 1989, the maximum permissible ad valorem property tax levy that will apply to the township's firefighting fund under section 3 of this chapter for calendar year 1990 is the amount determined in STEP FIVE of the following STEPS:

STEP ONE: Determine the part of the township's ad valorem property tax levy for calendar year 1989 that was dedicated to the township firefighting fund.

STEP TWO: If the township incurred any loans or bonded indebtedness to pay for fire protection or emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing), determine the number of calendar years during that period in which the township incurred the loans or bonded indebtedness.

STEP THREE: Calculate the quotient of:

(A) the total amounts of loans or bonded indebtedness incurred by the township for fire protection and emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing); divided by

(B) the number determined in STEP TWO.

STEP FOUR: Add the result determined in STEP ONE to the result determined in STEP THREE.

STEP FIVE: Calculate the maximum ad valorem property tax levy that would result from making the calculations contained in section 3 of this chapter as those calculations apply to the township, using the result obtained in STEP FOUR for the civil taxing unit's maximum permissible ad valorem property tax levy

for the preceding calendar year under section 3(a) or 3(b) of this chapter, whichever applies to the township.

If the amount determined under this subsection is substantially lower than the township's normal expenditure patterns for fire protection and emergency services (excluding the expenditures for the purchase of firefighting apparatus or equipment or housing), the township may appeal to the local government tax control board for an increase in the 1990 maximum permissible ad valorem property tax levy for its township firefighting fund. In considering the appeal, the local government tax control board shall consider other sources of revenue used by the township during calendar year 1989 to fund fire protection and emergency services that are also available for such funding in 1990 and thereafter and the board shall also consider any other relevant factors.

(b) If a township did not have a township firefighting fund under IC 36-8-13-4 for calendar year 1989, but appropriated funds for fire protection or emergency services for that calendar year, the township's maximum ad valorem property tax levy that will apply to the township's firefighting fund under section 3 of this chapter for calendar year 1990 is the amount determined in STEP FIVE of the following STEPS:

STEP ONE: Determine the amount that the township appropriated from its general fund for fire protection and emergency services (excluding appropriations for the purchase of firefighting apparatus or equipment or housing).

STEP TWO: If the township incurred any loans or bonded indebtedness to pay for fire protection or emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing), determine the number of calendar years during that period in which the township incurred the loans or bonded indebtedness.

STEP THREE: Calculate the quotient of:

(A) the total amounts of loans or bonded indebtedness incurred by the township for fire protection and emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing); divided by

(B) the number determined in STEP TWO.

STEP FOUR: Add the result of STEP ONE to the result of STEP THREE.

STEP FIVE: Calculate the maximum ad valorem property tax levy that would result from making the calculations contained in section 3 of this chapter, as those calculations apply to the township, using the result obtained in STEP FOUR for the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year under section 3(a) or 3(b) of this chapter, whichever applies to the township.

If the amount determined under this subsection is substantially lower

than the township's normal expenditure patterns for fire protection and emergency services (excluding the expenditures for the purchase of firefighting apparatus or equipment or housing), the township may appeal to the local government tax control board for an increase in its 1990 maximum permissible levy for its township firefighting fund. In considering the appeal, the local government tax control board shall consider other sources of revenue used by the township during calendar year 1989 to fund fire protection and emergency services that are also available for such funding in 1990 and thereafter and the board shall also consider any other relevant factors.

(c) If for calendar year 1989:

(1) a township had a township firefighting fund under IC 36-8-13-4 but did not have an ad valorem property tax levy for that fund; or

(2) a township did not have a township firefighting fund and appropriated no money for fire protection or emergency services;

the township's maximum permissible ad valorem property tax levy for its township firefighting fund shall be determined under section 7 of this chapter in the calendar year in which the township first establishes such a levy.

As added by P.L.343-1989(ss), SEC.2.

IC 6-1.1-18.5-19.1

Tax levy limits imposed by IC 6-1.1-18.5-3; bank personal property

Sec. 19.1. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed on personal property of banks that became subject to assessment in 1989 and thereafter because of IC 6-1.1-2-7.

(b) For purposes of computing the ad valorem property tax levy limits imposed under section 3 of this chapter, a civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed on bank personal property as provided in subsection (a).

As added by P.L.347-1989(ss), SEC.3. Amended by P.L.1-1990, SEC.72.

IC 6-1.1-18.5-20

Exemption from levy limits; local airport authorities

Sec. 20. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a local airport authority under IC 8-22-3-25 for a cumulative building fund.

(b) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, a local airport authority's ad valorem property tax levy for a calendar year does not include that part of its levy that is levied under IC 8-22-3-25 for a cumulative building fund.

As added by P.L.19-1994, SEC.2.

IC 6-1.1-18.5-21
Civil taxing unit's determination that levy limits do not apply to taxes to repay certain rainy day fund loans

Sec. 21. A civil taxing unit may determine that the ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under either or both of the following:

(1) IC 6-1.1-21.3.

(2) IC 6-1.1-21.9.

As added by P.L.114-2006, SEC.1. Amended by P.L.182-2009(ss), SEC.138.

IC 6-1.1-18.5-22.5
Gary sanitary district

Sec. 22.5. (a) The department of local government finance shall increase the maximum permissible ad valorem property tax levy of the city of Gary by four million nine hundred forty-four thousand nine hundred thirty dollars ($4,944,930). The adjustment made to the maximum permissible ad valorem property tax levy of the city of Gary under this subsection shall apply to property taxes first due and payable after December 31, 2013.

(b) The department of local government finance shall decrease the maximum permissible ad valorem property tax levy for the general fund of the Gary Sanitary District to zero dollars ($0), and beginning with property taxes first due and payable after December 31, 2013, the Gary Sanitary District may not impose an ad valorem property tax levy for its general fund.

(c) Notwithstanding the deadlines specified in IC 6-1.1-17 or in any other law concerning the adoption of budgets, tax rates, and tax levies, the department of local government finance and the proper officers of the city of Gary and the Gary Sanitary District may adjust tax rates and tax levies as necessary to account for the changes to maximum permissible ad valorem property tax levies made by this section.

As added by P.L.230-2013, SEC.3.

IC 6-1.1-18.6
Repealed

(Repealed by P.L.234-2005, SEC.192.)

IC 6-1.1-19

Chapter 19. Public School Corporation Property Tax Controls

IC 6-1.1-19-1

"Appeal"

Sec. 1. As used in this chapter, "appeal" refers to an appeal taken to the department of local government finance by or in respect of a school corporation under any of the following:

(1) IC 6-1.1-17.

(2) IC 20-43.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977(ss), P.L.3, SEC.1; Acts 1978, P.L.34, SEC.1; Acts 1979, P.L.208, SEC.7; P.L.20-1984, SEC.2; P.L.1-1991, SEC.39; P.L.1-1993, SEC.30; P.L.25-1995, SEC.33; P.L.2-1996, SEC.215; P.L.2-2006, SEC.46; P.L.146-2008, SEC.185; P.L.182-2009(ss), SEC.139.

IC 6-1.1-19-1.5

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-1.6

Repealed

(Repealed by P.L.65-1985, SEC.19.)

IC 6-1.1-19-1.7

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-1.8

Repealed

(Repealed by P.L.65-1985, SEC.19.)

IC 6-1.1-19-2

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-3

Department of local government finance may use certain powers to revise, change, or increase budget, rate, or levy of school corporation

Sec. 3. When an appeal is taken to the department of local government finance, the department may exercise the powers described in IC 6-1.1-17 to revise, change, or increase the budget, tax levy, or tax rate of the appellant school corporation.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.176; P.L.2-2006, SEC.47; P.L.146-2008, SEC.186; P.L.182-2009(ss), SEC.140.

IC 6-1.1-19-4

Repealed

(Repealed by P.L.1-1991, SEC.41.)

IC 6-1.1-19-4.1
Repealed
(Repealed by P.L.182-2009(ss), SEC.467.)

IC 6-1.1-19-4.2
Repealed
(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-4.3
Repealed
(Repealed by P.L.2-1996, SEC.297.)

IC 6-1.1-19-4.4
Repealed
(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-4.5
Repealed
(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-4.6
Repealed
(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-4.7
Repealed
(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-4.9
Repealed
(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-5
Repealed
(Repealed by P.L.85-1987, SEC.6.)

IC 6-1.1-19-5.1
Repealed
(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-5.3
Mathematical errors in data affecting levy; correction
Sec. 5.3. The department of local government finance may correct mathematical errors in data for any school corporation.
As added by P.L.1-1991, SEC.47. Amended by P.L.90-2002, SEC.185; P.L.2-2006, SEC.49.

IC 6-1.1-19-5.4

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-6

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-7

Tax levy not invalid because of failure of the department of local government finance to meet time limits; judicial review for school corporation of department's action

Sec. 7. (a) A tax levy is not invalid because of the failure of the department of local government finance to complete its duties within the time or time limits provided by this chapter or any other law.

(b) Subject to this chapter, the department of local government finance may make any order that is consistent with IC 6-1.1-17.

(c) A school corporation may petition for judicial review of the final determination of the department of local government finance. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.2-1995, SEC.24; P.L.90-2002, SEC.188; P.L.256-2003, SEC.20; P.L.2-2006, SEC.50; P.L.182-2009(ss), SEC.141.

IC 6-1.1-19-8

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-9

Repealed

(Repealed by P.L.65-1985, SEC.19.)

IC 6-1.1-19-10

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-10.5

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-11

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-12

Repealed

(Repealed by P.L.2-2006, SEC.199.)

IC 6-1.1-19-13

Repealed

(Repealed by P.L.146-2008, SEC.810.)

IC 6-1.1-20

Chapter 20. Procedures for Issuance of Bonds and Other Evidences of Indebtedness by Political Subdivisions

IC 6-1.1-20-0.5

Project cost; exception for donations

Sec. 0.5. (a) This section applies to a preliminary determination to issue bonds or enter into a lease made after June 30, 2013.

(b) In determining whether a project is a controlled project for purposes of this chapter and whether the petition and remonstrance process under sections 3.1 and 3.2 of this chapter or the referendum process under sections 3.5 and 3.6 of this chapter apply to the project, the cost of the project does not include expenditures for the project that will be paid from donations or other gifts:

(1) that are received by the political subdivision; and

(2) for which the political subdivision adopts an ordinance or resolution pledging that the donations or other gifts will be used exclusively for expenditures on the project's costs.

As added by P.L.218-2013, SEC.8.

IC 6-1.1-20-1

"Bonds"

Sec. 1. For purposes of this chapter, the term "bonds" means any bonds or other evidences of indebtedness payable from property taxes, but does not include:

(1) notes representing loans under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 which are payable within five (5) years after issuance;

(2) warrants representing temporary loans which are payable out of taxes levied and in the course of collection;

(3) a lease;

(4) obligations; or

(5) funding, refunding, or judgment funding bonds of political subdivisions.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.37-1988, SEC.8; P.L.25-1995, SEC.39; P.L.146-2008, SEC.187.

IC 6-1.1-20-1.1

"Controlled project"

Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease, except for the following:

(1) A project for which the political subdivision reasonably expects to pay:

(A) debt service; or

(B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are

insufficient.

(2) A project that will not cost the political subdivision more than the lesser of the following:

(A) Two million dollars ($2,000,000).

(B) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that amount is at least one million dollars ($1,000,000).

For purposes of this chapter, the cost of a project by a school corporation career and technical education school described in IC 20-37-1-1 that is funded through an advance from the common school fund under IC 20-49 shall be allocated among the organizing school corporations in the same manner as the advance is allocated under IC 20-49-4.

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that is required by a court order holding that a federal law mandates the project.

(6) A project that:

(A) is in response to:

(i) a natural disaster;

(ii) an accident; or

(iii) an emergency;

in the political subdivision that makes a building or facility unavailable for its intended use; and

(B) is approved by the county council of each county in which the political subdivision is located.

(7) A project that was not a controlled project under this section as in effect on June 30, 2008, and for which:

(A) the bonds or lease for the project were issued or entered into before July 1, 2008; or

(B) the issuance of the bonds or the execution of the lease for the project was approved by the department of local government finance before July 1, 2008.

(8) A project of the Little Calumet River basin development commission for which bonds are payable from special assessments collected under IC 14-13-2-18.6.

As added by P.L.25-1995, SEC.40. Amended by P.L.178-2002, SEC.30; P.L.2-2006, SEC.51; P.L.146-2008, SEC.188; P.L.106-2012, SEC.1; P.L.40-2014, SEC.5.

IC 6-1.1-20-1.2
"Debt service"

Sec. 1.2. As used in this chapter, "debt service" means principal of and interest on bonds. The term includes the repayment of an advance from the common school fund under IC 20-49-4-8.

As added by P.L.25-1995, SEC.41. Amended by P.L.2-2006, SEC.52.

IC 6-1.1-20-1.3
"Lease"

Sec. 1.3. As used in this chapter, "lease" means a lease by a political subdivision of any project with lease rentals payable from property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3.
As added by P.L.25-1995, SEC.42. Amended by P.L.2-2006, SEC.53; P.L.146-2008, SEC.189.

IC 6-1.1-20-1.4
"Lease rentals"

Sec. 1.4. As used in this chapter, "lease rentals" means the payments required under a lease.
As added by P.L.25-1995, SEC.43.

IC 6-1.1-20-1.5
"Obligations"

Sec. 1.5. As used in this chapter, "obligations" refers to a contract or promise to pay of a political subdivision that would be considered a bond or lease under this chapter but for the fact that it is payable solely from funds other than property taxes.
As added by P.L.25-1995, SEC.44.

IC 6-1.1-20-1.6
"Property taxes"

Sec. 1.6. As used in this chapter, "property taxes" means a property tax rate or levy to pay debt service or to pay lease rentals, but does not include taxes allocated for an allocation area under IC 6-1.1-39-5, IC 8-22-3.5-9, IC 36-7-14-39, IC 36-7-15.1-26, or IC 36-7-15.1-53.
As added by P.L.25-1995, SEC.45. Amended by P.L.102-1999, SEC.1.

IC 6-1.1-20-1.7
"Project"

Sec. 1.7. As used in this chapter, "project" means any project or purpose for which a political subdivision may issue bonds or enter into leases, including a sale-lease back of an existing building.
As added by P.L.25-1995, SEC.46.

IC 6-1.1-20-1.8
"County voter registration office"

Sec. 1.8. As used in this chapter, "county voter registration office" means the following:

(1) A board of registration established under IC 3-7-12 or by a county executive acting under IC 3-7-12.

(2) A board of elections and registration established under IC 3-6-5.2 or IC 3-6-5.4.

(3) The office of the circuit court clerk of a county in which a board has not been established as described in subdivision (1) or (2).

As added by P.L.219-2007, SEC.58.

IC 6-1.1-20-1.9

"Registered voter", "eligible voter", and "owner of property"

Sec. 1.9. (a) As used in this chapter, "registered voter" means the following:

(1) In the case of a petition under section 3.1 of this chapter to initiate a petition and remonstrance process, an individual who is registered to vote in the political subdivision on the date the county voter registration board makes the determination under section 3.1(b)(8) of this chapter regarding whether persons who signed the petition are registered voters.

(2) In the case of:

(A) a petition under section 3.2 of this chapter in favor of the proposed debt service or lease payments; or

(B) a remonstrance under section 3.2 of this chapter against the proposed debt service or lease payments;

an individual who is registered to vote in the political subdivision on the date the county voter registration board makes the determination under section 3.2(b)(5) of this chapter regarding whether persons who signed the petition or remonstrance are registered voters.

(3) In the case of a petition under section 3.5 of this chapter requesting the application of the local public question process under section 3.6 of this chapter concerning proposed debt service or lease payments, an individual who is registered to vote in the political subdivision on the date the county voter registration board makes the determination under section 3.5(b)(8) of this chapter regarding whether persons who signed the petition are registered voters.

(b) As used in this chapter, in the case of an election on a public question held under section 3.6 of this chapter, "eligible voter" means an individual who:

(1) is eligible to vote in the election in the political subdivision in which the public question will be held, as determined under IC 3; and

(2) resides within the boundaries of the political subdivision for which the public question is being considered.

(c) As used in this chapter, "owner of property" means a person that owns:

(1) real property;

(2) a mobile home assessed as personal property, used as a principal place of residence, and receiving the standard property tax deduction under IC 6-1.1-12-37; or

(3) a manufactured home assessed as personal property, used as a principal place of residence, and receiving the standard property tax deduction under IC 6-1.1-12-37.

As added by P.L.219-2007, SEC.59. Amended by P.L.146-2008, SEC.190; P.L.182-2009(ss), SEC.142; P.L.41-2010, SEC.1.

IC 6-1.1-20-2
Lease obligations and issuance of instruments authorized

Sec. 2. A political subdivision may, subject to the limitations provided by law, issue any bonds, notes, or warrants, or enter into any leases or obligations that it considers necessary.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.25-1995, SEC.47.

IC 6-1.1-20-3
Repealed

(Repealed by P.L.25-1995, SEC.94.)

IC 6-1.1-20-3.1
Procedures to be completed by political subdivision before imposing property taxes for bonds or lease for certain projects

Sec. 3.1. (a) This section applies only to the following:
(1) A controlled project (as defined in section 1.1 of this chapter as in effect June 30, 2008) for which the proper officers of a political subdivision make a preliminary determination in the manner described in subsection (b) before July 1, 2008.
(2) An elementary school building, middle school building, high school building, or other school building for academic instruction that:
(A) is a controlled project;
(B) will be used for any combination of kindergarten through grade 12; and
(C) will not cost more than ten million dollars ($10,000,000).
(3) Any other controlled project that:
(A) is not a controlled project described in subdivision (1) or (2); and
(B) will not cost the political subdivision more than the lesser of the following:
(i) Twelve million dollars ($12,000,000).
(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that amount is at least one million dollars ($1,000,000).

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:
(1) The proper officers of a political subdivision shall:
(A) publish notice in accordance with IC 5-3-1; and
(B) send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices;
of any meeting to consider adoption of a resolution or an

ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the resolution or ordinance.

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease for a controlled project, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease for a controlled project must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of property within the political subdivision or registered voters residing within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16 (repealed) before January 1, 2009) for an increased maximum permissible tuition support levy to pay the estimated costs described in clause (F).

(H) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) one hundred (100) persons who are either owners of property within the political subdivision or registered voters

residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. The county voter registration office shall, not more than fifteen (15) business days after receiving a petition, forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered

voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office shall, not more than ten (10) business days after receiving the statement from the county auditor under subdivision (8), make the final determination of the number of petitioners that are registered voters in the political subdivision and, based on the statement provided by the county auditor, the number of petitioners that own property within the political subdivision. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property, or a combination of those types of property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition

requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) This subsection applies only to a political subdivision that, after April 30, 2011, adopts an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease subject to this section and section 3.2 of this chapter. A political subdivision may not artificially divide a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.2 of this chapter.

As added by P.L.25-1995, SEC.48. Amended by P.L.53-1996, SEC.2; P.L.56-1997, SEC.1; P.L.178-2002, SEC.31; P.L.1-2004, SEC.30 and P.L.23-2004, SEC.33; P.L.2-2006, SEC.54; P.L.219-2007, SEC.60; P.L.146-2008, SEC.191; P.L.182-2009(ss), SEC.143; P.L.41-2010, SEC.2; P.L.113-2010, SEC.33; P.L.42-2011, SEC.8; P.L.198-2011, SEC.1; P.L.218-2013, SEC.9.

IC 6-1.1-20-3.2

Petition and remonstrance process for bonds or lease for certain projects

Sec. 3.2. (a) This section applies only to controlled projects described in section 3.1(a) of this chapter.

(b) If a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in section 3.1(b)(1)(B) of this chapter.

A notice under this subdivision must include a statement that any owners of property within the political subdivision or registered voters residing within the political subdivision who want to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days

after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision. Each signature on a petition must be dated, and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with the county voter registration office under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition and remonstrance forms to be used solely in the petition and remonstrance process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition or remonstrance forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature;

(D) govern the closing date for the petition and remonstrance period; and

(E) apply to the carrier under section 10 of this chapter.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition or remonstrance must indicate whether the person is signing the petition or remonstrance as a registered voter within the political subdivision or is signing the petition or remonstrance as the owner of property within the political subdivision. A person who signs a petition or remonstrance as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition or remonstrance as an owner of property must indicate the address of the property owned by the person in the political subdivision. The county voter registration office may not issue a petition or

remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county voter registration office shall certify the date of issuance on each petition or remonstrance form that is distributed under this subdivision.

(4) The petitions and remonstrances must be verified in the manner prescribed by the state board of accounts and filed with the county voter registration office within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and remonstrance process.

(5) The county voter registration office shall determine whether each person who signed the petition or remonstrance is a registered voter. The county voter registration office shall not more than fifteen (15) business days after receiving a petition or remonstrance forward a copy of the petition or remonstrance to the county auditor. Not more than ten (10) business days after receiving the copy of the petition or remonstrance, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition or remonstrance as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition or remonstrance as an owner of property within the political subdivision does in fact own property within the political subdivision.

(6) The county voter registration office shall not more than ten (10) business days after receiving the statement from the county auditor under subdivision (5) make the final determination of:

(A) the number of registered voters in the political subdivision that signed a petition and, based on the statement provided by the county auditor, the number of owners of property within the political subdivision that signed a petition; and

(B) the number of registered voters in the political subdivision that signed a remonstrance and, based on the statement provided by the county auditor, the number of owners of property within the political subdivision that signed a remonstrance.

Whenever the name of an individual who signs a petition or remonstrance as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition or remonstrance under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures

used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition or remonstrance only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition or remonstrance is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition or remonstrance, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(7) The county voter registration office must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within thirty-five (35) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county voter registration office may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(8) If a greater number of persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county voter registration office's certificate under subdivision (7). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(9) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or

objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the department of local government finance if required by:

(A) IC 6-1.1-18.5-8; or

(B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.

As added by P.L.25-1995, SEC.49. Amended by P.L.53-1996, SEC.3; P.L.54-1996, SEC.1; P.L.2-1997, SEC.20; P.L.56-1997, SEC.2; P.L.2-1998, SEC.20; P.L.90-2002, SEC.192; P.L.178-2002, SEC.32; P.L.1-2004, SEC.31 and P.L.23-2004, SEC.34; P.L.2-2006, SEC.55; P.L.219-2007, SEC.61; P.L.224-2007, SEC.31; P.L.3-2008, SEC.47; P.L.146-2008, SEC.192; P.L.182-2009(ss), SEC.144; P.L.41-2010, SEC.3; P.L.113-2010, SEC.34; P.L.42-2011, SEC.9.

IC 6-1.1-20-3.3

Applicability of other statutes to imposition of property taxes

Sec. 3.3. Notwithstanding any other law, a political subdivision may issue or enter into obligations under any statute that requires or permits the imposition of property taxes to pay debt service or lease rentals without pledging to impose property taxes, if necessary, to pay the debt service or lease rentals. If the proper officers of a political subdivision determine to use revenues other than property taxes to pay obligations without pledging to impose property taxes for that purpose, provisions of any other statute relating to controlling property taxes do not apply to the issuance of or entering into the obligations.

As added by P.L.25-1995, SEC.50.

IC 6-1.1-20-3.4

Repealed

(Repealed by P.L.146-2008, SEC.801.)

IC 6-1.1-20-3.5

Procedures required before imposing property taxes for bonds or lease for certain projects; petition requesting initiation of referendum

Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, high school building, or other school building for academic instruction that:

(i) will be used for any combination of kindergarten through grade 12; and

(ii) will cost more than ten million dollars ($10,000,000).

(B) Any other controlled project that:

(i) is not a controlled project described in clause (A); and
(ii) will cost the political subdivision more than the lesser of twelve million dollars ($12,000,000) or an amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least one million dollars ($1,000,000)).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must make the following information available to the public at the public hearing on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(G).

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.
(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.
(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.
(D) The purpose of the bonds or lease.
(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.
(F) With respect to bonds issued or a lease entered into to open:
(i) a new school facility; or
(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;
the estimated costs the school corporation expects to annually incur to operate the facility.
(G) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.
(H) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:
(A) one hundred (100) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or
(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:
(A) the carrier and signers must be owners of property or registered voters;
(B) the carrier must be a signatory on at least one (1) petition;
(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and
(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least one hundred twenty-five (125) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least one hundred twenty-five (125) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least one hundred twenty-five (125) persons who signed the petition are registered voters or after receiving the statement from the county auditor under subdivision (8) (as applicable), shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor

variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting the referendum process. The certificate must state the number of petitioners who are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) If a sufficient petition requesting the local public question process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

(1) a copy of the notice required by subsection (b)(2); and

(2) any other information the county auditor requires to fulfill

the county auditor's duties under section 3.6 of this chapter.
As added by P.L.146-2008, SEC.193. Amended by P.L.182-2009(ss), SEC.145; P.L.41-2010, SEC.4; P.L.113-2010, SEC.35; P.L.218-2013, SEC.10.

IC 6-1.1-20-3.6
Referendum process for bonds or lease for certain projects

Sec. 3.6. (a) Except as provided in sections 3.7 and 3.8 of this chapter, this section applies only to a controlled project described in section 3.5(a) of this chapter.

(b) If a sufficient petition requesting the application of the local public question process has been filed as set forth in section 3.5 of this chapter, a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) Except as provided in subsection (k), the following question shall be submitted to the eligible voters at the election conducted under this section:

> "Shall _____ (insert the name of the political subdivision) issue bonds or enter into a lease to finance _____ (insert a brief description of the controlled project), which is estimated to cost not more than _____ (insert the total cost of the project) and is estimated to increase the property tax rate for debt service by _____ (insert increase in tax rate as determined by the department of local government finance)?".

The public question must appear on the ballot in the form approved by the county election board. If the political subdivision proposing to issue bonds or enter into a lease is located in more than one (1) county, the county election board of each county shall jointly approve the form of the public question that will appear on the ballot in each county. The form approved by the county election board may differ from the language certified to the county election board by the county auditor. If the county election board approves the language of a public question under this subsection, the county election board shall submit the language to the department of local government finance for review.

(d) The department of local government finance shall review the language of the public question to evaluate whether the description of the controlled project is accurate and is not biased against either a vote in favor of the controlled project or a vote against the controlled project. The department of local government finance may either approve the ballot language as submitted or recommend that the ballot language be modified as necessary to ensure that the description of the controlled project is accurate and is not biased. The department of local government finance shall certify its approval or recommendations to the county auditor and the county election board not more than ten (10) days after the language of the public question is submitted to the department for review. If the department of local

government finance recommends a modification to the ballot language, the county election board shall, after reviewing the recommendations of the department of local government finance, submit modified ballot language to the department for the department's approval or recommendation of any additional modifications. The public question may not be certified by the county auditor under subsection (e) unless the department of local government finance has first certified the department's final approval of the ballot language for the public question.

(e) The county auditor shall certify the finally approved public question under IC 3-10-9-3 to the county election board of each county in which the political subdivision is located. The certification must occur not later than noon:

(1) seventy-four (74) days before a primary election if the public question is to be placed on the primary or municipal primary election ballot; or

(2) August 1 if the public question is to be placed on the general or municipal election ballot.

Subject to the certification requirements and deadlines under this subsection and except as provided in subsection (k), the public question shall be placed on the ballot at the next primary election, general election, or municipal election in which all voters of the political subdivision are entitled to vote. However, if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this section and if the political subdivision requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than noon seventy-four (74) days before a special election to be held in May (if the special election is to be held in May) or noon on August 1 (if the special election is to be held in November). The fiscal body of the political subdivision that requests the special election shall pay the costs of holding the special election. The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all steps necessary to carry out the special election.

(f) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(g) Subject to the requirements of IC 6-1.1-18.5-8, the political subdivision may issue the proposed bonds or enter into the proposed lease rental if a majority of the eligible voters voting on the public question vote in favor of the public question.

(h) If a majority of the eligible voters voting on the public question vote in opposition to the public question, both of the

following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters earlier than one (1) year after the date of the election.

(i) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

(j) A political subdivision may not artificially divide a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.5 of this chapter.

(k) This subsection applies to a political subdivision for which a petition requesting a public question has been submitted under section 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of the political subdivision may adopt a resolution to withdraw a controlled project from consideration in a public question. If the legislative body provides a certified copy of the resolution to the county auditor and the county election board not later than sixty-three (63) days before the election at which the public question would be on the ballot, the public question on the controlled project shall not be placed on the ballot and the public question on the controlled project shall not be held, regardless of whether the county auditor has certified the public question to the county election board. If the withdrawal of a public question under this subsection requires the county election board to reprint ballots, the political subdivision withdrawing the public question shall pay the costs of reprinting the ballots. If a political subdivision withdraws a public question under this subsection that would have been held at a special election and the county election board has printed the ballots before the legislative body of the political subdivision provides a certified copy of the withdrawal resolution to the county auditor and the county election board, the political subdivision withdrawing the public question shall pay the costs incurred by the county in printing the ballots. If a public question on a controlled project is withdrawn under this subsection, a public question under this section on the same controlled project or a substantially similar controlled project may not be submitted to the voters earlier than one (1) year after the date the resolution withdrawing the public question is adopted.

(l) If a public question regarding a controlled project is placed on the ballot to be voted on at a public question under this section, the political subdivision shall submit to the department of local government finance, at least thirty (30) days before the election, the following information regarding the proposed controlled project for posting on the department's Internet web site:

(1) The cost per square foot of any buildings being constructed as part of the controlled project.

(2) The effect that approval of the controlled project would have on the political subdivision's property tax rate.

(3) The maximum term of the bonds or lease.

(4) The maximum principal amount of the bonds or the

maximum lease rental for the lease.

(5) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(6) The purpose of the bonds or lease.

(7) In the case of a controlled project proposed by a school corporation:

(A) the current and proposed square footage of school building space per student;

(B) enrollment patterns within the school corporation; and

(C) the age and condition of the current school facilities.

As added by P.L.146-2008, SEC.194. Amended by P.L.182-2009(ss), SEC.146; P.L.113-2010, SEC.36; P.L.198-2011, SEC.2; P.L.219-2013, SEC.73.

IC 6-1.1-20-3.7

Political subdivision resolution to apply local public question process if no petition requested the application or in certain disaster, accident, or emergency circumstances

Sec. 3.7. (a) This section applies to the following:

(1) The issuance of bonds or the entering into a lease for a controlled project:

(A) to which section 3.5 of this chapter applies; and

(B) for which a sufficient petition requesting the application of the local public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter within the time required under section 3.5(b)(7) of this chapter.

(2) The issuance of bonds or the entering into a lease for a capital project:

(A) that is not a controlled project to which section 3.5 of this chapter applies; and

(B) that would, but for the application of section 1.1(6) of this chapter to the project, be a controlled project to which section 3.5 of this chapter applies.

(b) If the proper officers of a political subdivision make a preliminary determination to issue bonds described in subsection (a) or enter into a lease described in subsection (a), the fiscal body of the political subdivision may adopt a resolution specifying that the local public question process specified in section 3.6 of this chapter applies to the issuance of the bonds or the entering into the lease, notwithstanding that:

(1) a sufficient petition requesting the application of the local public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter (in the case of bonds or a lease described in subsection (a)(1)); or

(2) because of the application of section 1.1(6) of this chapter, the bonds or lease is not considered to be issued or entered into for a controlled project (in the case of bonds or a lease described in subsection (a)(2)).

(c) The following apply to the adoption of a resolution by the

fiscal body of a political subdivision under subsection (b):

(1) In the case of bonds or a lease described in subsection (a)(1) and for which no petition requesting the application of the local public question process under section 3.6 of this chapter has been filed within the time required under section 3.5(b)(7) of this chapter, the fiscal body must adopt the resolution not more than sixty (60) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(2) In the case of bonds or a lease described in subsection (a)(1) for which a petition requesting the application of the local public question process under section 3.6 of this chapter:

(A) has been filed under section 3.5 of this chapter; and

(B) is determined to have an insufficient number of signatures to require application of the local public question process under section 3.6 of this chapter;

the fiscal body must adopt the resolution not more than thirty (30) days after the county voter registration office makes the final determination under section 3.5 of this chapter that a sufficient number of persons have not signed the petition.

(3) In the case of bonds or a lease described in subsection (a)(2), the fiscal body must adopt the resolution not more than thirty (30) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(4) The fiscal body shall certify the resolution to the county election board of each county in which the political subdivision is located, and the county election board shall place the public question on the ballot as provided in section 3.6 of this chapter.

(d) Except to the extent it is inconsistent with this section, section 3.6 of this chapter applies to a local public question placed on the ballot under this section.

As added by P.L.182-2009(ss), SEC.147.

IC 6-1.1-20-3.8

Procedure for initiating referendum for certain projects when petition and remonstrance process would otherwise apply

Sec. 3.8. (a) This section applies to the issuance of bonds or the entering into a lease for a controlled project to which section 3.1 of this chapter applies.

(b) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease described in subsection (a), the fiscal body of the political subdivision may adopt a resolution specifying that the local public question process specified in section 3.6 of this chapter applies to the issuance of the bonds or the execution of the lease instead of the petition and remonstrance process under section 3.2 of this chapter.

(c) The fiscal body must adopt a resolution under subsection (b) not later than the date on which the political subdivision makes a preliminary determination to issue bonds or enter into a lease as described in subsection (a).

(d) The fiscal body must certify the resolution to the county election board of each county in which the political subdivision is located, and the county election board shall place the public question on the ballot as provided in section 3.6 of this chapter.

(e) Except to the extent it is inconsistent with this section, section 3.6 of this chapter applies to a local public question placed on the ballot under this section.

As added by P.L.113-2010, SEC.37.

IC 6-1.1-20-4
Repealed

(Repealed by P.L.25-1995, SEC.94.)

IC 6-1.1-20-5
Issuance of bonds or leases in excess of $5,000; objections by taxpayers to certain bonds or leases

Sec. 5. (a) When the proper officers of a political subdivision decide to issue bonds or enter into leases in a total amount which exceeds five thousand dollars ($5,000), they shall give notice of the decision by:

(1) posting; and

(2) publication once each week for two (2) weeks.

The notice required by this section shall be posted in three (3) public places in the political subdivision and published in accordance with IC 5-3-1-4. The decision to issue bonds may be a preliminary decision.

(b) This subsection does not apply to bonds or lease rental agreements for which a political subdivision:

(1) after June 30, 2008, makes:

(A) a preliminary determination as described in section 3.1 or 3.5 of this chapter; or

(B) a decision as described in subsection (a); or

(2) in the case of bonds or lease rental agreements not subject to section 3.1 or 3.5 of this chapter and not subject to subsection (a), adopts a resolution or ordinance authorizing the bonds or lease rental agreement after June 30, 2008.

Ten (10) or more taxpayers who will be affected by the proposed issuance of the bonds and who wish to object to the issuance on the grounds that it is unnecessary or excessive may file a petition in the office of the auditor of the county in which the political subdivision is located. The petition must be filed within fifteen (15) days after the notice required by subsection (a) is given, and it must contain the objections of the taxpayers and facts which show that the proposed issue is unnecessary or excessive. When taxpayers file a petition in the manner prescribed in this subsection, the county auditor shall immediately forward a certified copy of the petition and any other relevant information to the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.27-1986, SEC.4; P.L.25-1995, SEC.51; P.L.90-2002, SEC.193; P.L.224-2007, SEC.33; P.L.146-2008, SEC.195.

IC 6-1.1-20-6

Department of local government finance hearing on taxpayers' objections; department action; appeal

Sec. 6. (a) Upon receipt of a certified petition filed in the manner prescribed in section 5(b) of this chapter, the department of local government finance shall fix a time and place for a hearing on the matter. The department of local government finance shall hold the hearing not less than five (5) or more than thirty (30) days after the department receives the petition, and the department shall hold the hearing in the political subdivision or in the county where the political subdivision is located. At least five (5) days before the date fixed for the hearing, the department of local government finance shall give notice of the hearing, by mail, to the executive officer of the political subdivision and to the first ten (10) taxpayers who signed the petition. The mailings shall be addressed to the officer and the taxpayers at their usual place of residence.

(b) After the hearing required by this section, the department of local government finance may approve, disapprove, or reduce the amount of the proposed issue. The department of local government finance must render a decision not later than three (3) months after the hearing, and if no decision is rendered within that time, the issue is considered approved unless the department takes the extension provided for in this section. A three (3) month extension of the time period during which the decision must be rendered may be taken by the department of local government finance if the department by mail gives notice of the extension to the executive officer of the political subdivision and to the first ten (10) taxpayers who signed the petition, at least ten (10) days before the end of the original three (3) month period. If no decision is rendered within the extension period, the issue is considered approved.

(c) A:

(1) taxpayer who signed a petition referred to in subsection (a); or

(2) political subdivision against which a petition referred to in subsection (a) is filed;

may petition for judicial review of the final determination of the department of local government finance under subsection (b). The petition must be filed in the tax court not more than forty-five (45) days after the department renders its decision under subsection (b).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.74, SEC.1; P.L.23-1984, SEC.7; P.L.90-2002, SEC.194; P.L.256-2003, SEC.22.

IC 6-1.1-20-7

Interest rate in excess of 8%; approval by department of local government finance of certain bonds

Sec. 7. (a) This section does not apply to bonds, notes, or warrants for which a political subdivision:

(1) after June 30, 2008, makes a preliminary determination as described in section 3.1 or 3.5 of this chapter or a decision as

described in section 5 of this chapter; or

(2) in the case of bonds, notes, or warrants not subject to section 3.1, 3.5, or 5 of this chapter, adopts a resolution or ordinance authorizing the bonds, notes, or warrants after June 30, 2008.

(b) When the proper officers of a political subdivision decide to issue any bonds, notes, or warrants which will be payable from property taxes and which will bear interest in excess of eight percent (8%) per annum, the political subdivision shall submit the matter to the department of local government finance for review. The department of local government finance may either approve or disapprove the rate of interest.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.23-1984, SEC.8; P.L.90-2002, SEC.195; P.L.224-2007, SEC.34; P.L.146-2008, SEC.196.

IC 6-1.1-20-7.5

Review and approval by department of local government finance not required for certain bonds or leases

Sec. 7.5. This section applies only to bonds, leases, and other debt for which a political subdivision:

(1) after June 30, 2008, makes a preliminary determination as described in section 3.1 or 3.5 of this chapter or a decision as described in section 5 of this chapter; or

(2) in the case of bonds, leases, or other obligations not subject to section 3.1, 3.5, or 5 of this chapter, adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.

Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance are not required before a political subdivision may issue or enter into bonds, a lease, or any other obligations payable from ad valorem property taxes.

As added by P.L.146-2008, SEC.197.

IC 6-1.1-20-8

Repealed

(Repealed by Acts 1980, P.L.8, SEC.26.)

IC 6-1.1-20-8.5

Repealed

(Repealed by Acts 1980, P.L.8, SEC.26.)

IC 6-1.1-20-9

Public improvement bonds, ordinance, or resolution; construction bidding

Sec. 9. (a) When the proper officers of a political subdivision decide to issue bonds payable from property taxes to finance a public improvement or enter into a lease rental agreement payable from property taxes to finance a public improvement, they shall adopt an ordinance or resolution which sets forth their determination to issue

the bonds or enter into the lease rental agreement. Except as provided in subsection (b), the political subdivision may not advertise for or receive bids for the construction of the improvement until the expiration of:

(1) the time period within which taxpayers may file a petition:

(A) for review of or a remonstrance against the proposed issue or lease, in the case of a proposed issue or lease that is subject to section 3.1 of this chapter; or

(B) to initiate the local public question process, in the case of a proposed issue or lease that is subject to section 3.5 of this chapter; or

(2) the time period during which a petition for review of the proposed issue or lease is pending before the department of local government finance (in the case of bonds or a lease for which a petition for review may be filed with the department of local government finance).

(b) This subsection does not apply to bonds or lease rental agreements for which a political subdivision:

(1) after June 30, 2008, makes:

(A) a preliminary determination as described in section 3.1 or 3.5 of this chapter; or

(B) a decision as described in section 5 of this chapter; or

(2) in the case of bonds or lease rental agreements not subject to section 3.1 or 3.5 of this chapter and not subject to section 5 of this chapter, adopts a resolution or ordinance authorizing the bonds or lease rental agreement after June 30, 2008.

When a petition for review of a proposed issue is pending before the department of local government finance, the department may order the political subdivision to advertise for and receive bids for the construction of the public improvement. When the department of local government finance issues such an order, the political subdivision shall file a bid report with the department within five (5) days after the bids are received, and the department shall render a final decision on the proposed issue within fifteen (15) days after it receives the bid report. Notwithstanding the provisions of this subsection, a political subdivision may not enter into a contract for the construction of a public improvement while a petition for review of the bond issue which is to finance the improvement is pending before the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.196; P.L.224-2007, SEC.35; P.L.146-2008, SEC.198.

IC 6-1.1-20-10

Restrictions on promoting a position on a petition and remonstrance

Sec. 10. (a) This section applies to a political subdivision that adopts an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease. Except as otherwise provided in this section, during the period commencing with the adoption of the ordinance or resolution and, if a petition and

remonstrance process is commenced under section 3.2 of this chapter, continuing through the sixty (60) day period commencing with the notice under section 3.2(b)(1) of this chapter, the political subdivision seeking to issue bonds or enter into a lease for the proposed controlled project may not promote a position on the petition or remonstrance by doing any of the following:

(1) Using facilities or equipment, including mail and messaging systems, owned by the political subdivision to promote a position on the petition or remonstrance, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the political subdivision.

(2) Making an expenditure of money from a fund controlled by the political subdivision to promote a position on the petition or remonstrance or to pay for the gathering of signatures on a petition or remonstrance. This subdivision does not prohibit a political subdivision from making an expenditure of money to an attorney, an architect, registered professional engineer, a construction manager, or a financial adviser for professional services provided with respect to a controlled project.

(3) Using an employee to promote a position on the petition or remonstrance during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the petition or remonstrance at any time. However, if a person described in subsection (f) is advocating for or against a position on the petition or remonstrance or discussing the petition or remonstrance as authorized under subsection (f), an employee of the political subdivision may assist the person in presenting information on the petition or remonstrance, if requested to do so by the person described in subsection (f).

(4) In the case of a school corporation, promoting a position on a petition or remonstrance by:

(A) using students to transport written materials to their residences or in any way involving students in a school organized promotion of a position;

(B) including a statement within another communication sent to the students' residences; or

(C) initiating discussion of the petition and remonstrance process at a meeting between a teacher and parents of a student regarding the student's performance or behavior at school. However, if the parents initiate a discussion of the petition and remonstrance process at the meeting, the teacher may acknowledge the issue and direct the parents to a source of factual information on the petition and remonstrance process.

However, this section does not prohibit an official or employee of the political subdivision from carrying out duties with respect to a petition or remonstrance that are part of the normal and regular conduct of the official's or employee's office or agency, including the furnishing of factual information regarding the petition and remonstrance in response to inquiries from any person.

(b) A person may not solicit or collect signatures for a petition or remonstrance on property owned or controlled by the political subdivision.

(c) The staff and employees of a school corporation may not personally identify a student as the child of a parent or guardian who supports or opposes a petition or remonstrance.

(d) This subsection does not apply to:

(1) a personal expenditure to promote a position on a petition and remonstrance by an employee of a school corporation whose employment is governed by a collective bargaining contract or an employment contract; or

(2) an expenditure to promote a position on a petition and remonstrance by a person or an organization that has a contract or an arrangement with the school corporation solely for the use of the school corporation's facilities.

A person or an organization that has a contract or an arrangement (whether formal or informal) with a school corporation to provide goods or services to the school corporation may not spend any money to promote a position on the petition or remonstrance. A person or an organization that violates this subsection commits a Class A infraction.

(e) An attorney, an architect, registered professional engineer, a construction manager, or a financial adviser for professional services provided with respect to a controlled project may not spend any money to promote a position on the petition or remonstrance. A person who violates this subsection:

(1) commits a Class A infraction; and

(2) is barred from performing any services with respect to the controlled project.

(f) Notwithstanding any other law, an elected or appointed public official of the political subdivision (including any school board member and school corporation superintendent), a school corporation assistant superintendent, or a chief school business official of a school corporation may at any time:

(1) personally advocate for or against a position on the petition or remonstrance; or

(2) discuss the petition or remonstrance with any individual, group, or organization or personally advocate for or against a position on the petition or remonstrance before any individual, group, or organization;

so long as it is not done by using public funds. Advocacy or discussion allowed under this subsection is not considered a use of public funds. However, this subsection does not authorize or apply to advocacy or discussion by a school board member, superintendent, assistant superintendent, or school business official to or with students that occurs during the regular school day.

As added by P.L.1-2004, SEC.32 and P.L.23-2004, SEC.35. Amended by P.L.162-2006, SEC.5; P.L.146-2008, SEC.199; P.L.182-2009(ss), SEC.148; P.L.198-2011, SEC.3.

IC 6-1.1-20-10.1

Restrictions on promoting a position on a referendum

Sec. 10.1. (a) This section applies only to a political subdivision that, after June 30, 2008, adopts an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease subject to sections 3.5 and 3.6 of this chapter.

(b) Except as otherwise provided in this section, during the period beginning with the adoption of the ordinance or resolution and continuing through the day on which a local public question is submitted to the voters of the political subdivision under section 3.6 of this chapter, the political subdivision seeking to issue bonds or enter into a lease for the proposed controlled project may not promote a position on the local public question by doing any of the following:

(1) Using facilities or equipment, including mail and messaging systems, owned by the political subdivision to promote a position on the local public question, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the political subdivision.

(2) Making an expenditure of money from a fund controlled by the political subdivision to promote a position on the local public question. This subdivision does not prohibit a political subdivision from making an expenditure of money to an attorney, an architect, a registered professional engineer, a construction manager, or a financial adviser for professional services provided with respect to a controlled project.

(3) Using an employee to promote a position on the local public question during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the local public question at any time. However, if a person described in subsection (f) is advocating for or against a position on the local public question or discussing the local public question as authorized under subsection (f), an employee of the political subdivision may assist the person in presenting information on the local public question, if requested to do so by the person described in subsection (f).

(4) In the case of a school corporation, promoting a position on a local public question by:

(A) using students to transport written materials to their residences or in any way involving students in a school organized promotion of a position;

(B) including a statement within another communication sent to the students' residences; or

(C) initiating discussion of the local public question at a meeting between a teacher and parents of a student regarding the student's performance or behavior at school. However, if the parents initiate a discussion of the local public question at the meeting, the teacher may acknowledge the issue and direct the parents to a source of factual information on the local public question.

However, this section does not prohibit an official or employee of the

political subdivision from carrying out duties with respect to a local public question that are part of the normal and regular conduct of the official's or employee's office or agency, including the furnishing of factual information regarding the local public question in response to inquiries from any person.

(c) The staff and employees of a school corporation may not personally identify a student as the child of a parent or guardian who supports or opposes a controlled project subject to a local public question held under section 3.6 of this chapter.

(d) This subsection does not apply to:

(1) a personal expenditure to promote a position on a local public question by an employee of a school corporation whose employment is governed by a collective bargaining contract or an employment contract; or

(2) an expenditure to promote a position on a local public question by a person or an organization that has a contract or an arrangement (whether formal or informal) with the school corporation solely for the use of the school corporation's facilities.

A person or an organization that has a contract or an arrangement (whether formal or informal) with a school corporation to provide goods or services to the school corporation may not spend any money to promote a position on a local public question. A person or an organization that violates this subsection commits a Class A infraction.

(e) An attorney, an architect, a registered professional engineer, a construction manager, or a financial adviser for professional services provided with respect to a controlled project may not spend any money to promote a position on a local public question. A person who violates this subsection:

(1) commits a Class A infraction; and

(2) is barred from performing any services with respect to the controlled project.

(f) Notwithstanding any other law, an elected or appointed public official of the political subdivision (including any school board member and school corporation superintendent), a school corporation assistant superintendent, or a chief school business official of a school corporation may at any time:

(1) personally advocate for or against a position on the local public question; or

(2) discuss the public question with any individual, group, or organization or otherwise personally advocate for or against a position on the public question before any individual, group, or organization;

so long as it is not done by using public funds. Advocacy or discussion allowed under this subsection is not considered a use of public funds. However, this subsection does not authorize or apply to advocacy or discussion by a school board member, superintendent, assistant superintendent, or school business official to or with students that occurs during the regular school day.

(g) A student may use school equipment or facilities to report or editorialize about a local public question as part of the news coverage of the referendum by student newspaper or broadcast.
As added by P.L.146-2008, SEC.200. Amended by P.L.182-2009(ss), SEC.149; P.L.198-2011, SEC.4.

IC 6-1.1-20-11
Standards; validity of signatures on petition

Sec. 11. (a) This section applies to the determination of the validity of a signature on a document required for a petition and remonstrance procedure under this chapter.

(b) If:

(1) the validity of a signature is uncertain; and

(2) this section does not establish a standard to be applied in that case;

a reasonable doubt must be resolved in favor of the validity of the signature.

(c) Whenever the name of an individual, as printed or signed, contains a minor variation from the name of the individual as set forth in the relevant county records, the signature is considered valid.

(d) Whenever the residence address or mailing address of an individual contains a minor variation from the residence address or mailing address as set forth in the relevant county records, the signature is considered valid.

(e) Notwithstanding subsection (c) or (d), if the residence address or mailing address of an individual contains a substantial variation from the residence address or mailing address as set forth in the relevant county records, the signature is considered invalid.

(f) If the signature of an individual does not substantially conform with the signature of the individual in the relevant county records, the signature is considered invalid. In determining whether a signature substantially conforms with an individual's in the relevant county records, consideration shall be given to whether that lack of conformity may reasonably be attributed to the age, disability, or impairment of the individual.
As added by P.L.162-2006, SEC.6.

IC 6-1.1-20-12
Distribution of levy approved in referendum

Sec. 12. (a) This section applies to taxes first due and payable in 2012 or a subsequent year.

(b) The county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010, to the taxing unit for which the referendum was conducted.

(c) The amount to be distributed under subsection (b) shall be treated as part of the referendum levy for purposes of setting tax rates for property taxes imposed after being approved by the voters in a referendum conducted after April 30, 2010.

(d) For a school corporation that conducted a referendum after November 1, 2009, and before May 1, 2010, for distributions after 2013, the county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in the referendum, to the school corporation for which the referendum was conducted. The amount to be distributed to the school corporation shall be treated as part of the referendum levy for purposes of setting the school corporation's tax rates.

As added by P.L.203-2011, SEC.1. Amended by P.L.257-2013, SEC.19.

IC 6-1.1-20.1
Repealed

(Repealed by P.L.6-2012, SEC.46.)

IC 6-1.1-20.2

Chapter 20.2. Rainy Day Fund Loans to Certain Counties

IC 6-1.1-20.2-1

"Board"

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-2

"Eligible county"

Sec. 2. As used in this chapter, "eligible county" refers to a county in which voting equipment has been damaged or destroyed in a natural disaster.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-3

Eligible county may apply to board for loan

Sec. 3. An eligible county, with the approval of the fiscal body of the eligible county, may apply to the board for a loan from the counter-cyclical revenue and economic stabilization fund.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-4

Board determines terms of any loan after review by budget committee

Sec. 4. Subject to this chapter, the board, after review by the budget committee, shall determine the terms of any loan made under this chapter.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-5

Interest on loan

Sec. 5. Interest may be imposed on the loan at a rate determined by the board.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-6

Term of loan repayment; penalty

Sec. 6. An eligible county receiving a loan under this chapter must repay the loan within seventy-two (72) months after the date on which the loan is made. No penalty may be imposed for repaying a loan before the term of the loan.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-7

Disbursement of loan proceeds by board

Sec. 7. The board may disburse in installments the proceeds of a loan made under this chapter.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-8
Repayment of loan by eligible county from any revenue sources

Sec. 8. An eligible county may repay a loan made under this chapter from any sources of revenue.
As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-9
Obligation to repay loan not basis to obtain excessive tax levy

Sec. 9. The obligation to repay a loan made under this chapter is not a basis for the eligible county to obtain an excessive tax levy.
As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-10
Deposit by board of loan payments

Sec. 10. Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.
As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-11
Loan proceeds received not considered part of levy excess

Sec. 11. The proceeds of a loan received by an eligible county under this chapter are not considered to be part of the ad valorem property tax levy actually collected by the eligible county for taxes first due and payable during a particular calendar year for the purpose of calculating levy excess.
As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-12
Chapter constitutes complete authority for loans

Sec. 12. The notes and the authorization, issuance, sale, and delivery of the notes are not subject to any general statute concerning obligations issued by the local governmental entity borrower. This chapter contains full and complete authority for the making of the loan, the authorization, issuance, sale, and delivery of the notes, and the repayment of the loan by the borrower, and no law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by any officer, department, agency, or instrument of the state or of any political subdivision is required to make the loan, issue the notes, or repay the loan except as prescribed in this chapter.
As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-13
Treasurer of state payment of delinquent loan payments from eligible county funds held by state

Sec. 13. Upon the failure of an eligible county to make any of the eligible county's payments on a loan granted under this chapter when due, the treasurer of state, upon being notified of the failure by the board, may pay the unpaid amount that is due from the funds held by the state that would be otherwise distributable to the eligible county.

As added by P.L.182-2009(ss), SEC.150.

IC 6-1.1-20.2-14
Restriction on use of loans

Sec. 14. Notwithstanding any other provision of this chapter, if an eligible county receives a loan under this chapter from the counter-cyclical revenue and economic stabilization fund (rainy day fund), the money must be used to replace voting equipment damaged by a flood and may not be used to equip any voting centers.
As added by P.L.182-2009(ss), SEC.516.

IC 6-1.1-20.3

Chapter 20.3. Distressed Political Subdivisions

IC 6-1.1-20.3-1

"Distressed unit appeals board"

Sec. 1. As used in this chapter, "board" refers to the distressed unit appeal board established by section 4 of this chapter.

As added by P.L.224-2007, SEC.36. Amended by P.L.146-2008, SEC.201.

IC 6-1.1-20.3-2

"Distressed political subdivision"

Sec. 2. As used in this chapter, "distressed political subdivision" means a political subdivision designated as a distressed political subdivision by the board under section 6.5 or 6.7 of this chapter.

As added by P.L.224-2007, SEC.36. Amended by P.L.146-2008, SEC.202; P.L.145-2012, SEC.3; P.L.234-2013, SEC.2.

IC 6-1.1-20.3-3

"Political subdivision"

Sec. 3. As used in this chapter, "political subdivision" has the meaning set forth in IC 36-1-2-13.

As added by P.L.224-2007, SEC.36.

IC 6-1.1-20.3-4

Board established; members

Sec. 4. (a) The distressed unit appeal board is established.

(b) The distressed unit appeal board consists of the following members:

(1) The director of the office of management and budget or the director's designee. The director or the director's designee shall serve as chairperson of the distressed unit appeal board.

(2) The commissioner of the department of local government finance or the commissioner's designee.

(3) The state examiner of the state board of accounts or the state examiner's designee.

(4) The state superintendent of public instruction or the superintendent's designee.

(5) An individual appointed by the chairman of the legislative council.

(c) Each member of the commission is entitled to reimbursement for:

(1) traveling expenses as provided under IC 4-13-1-4; and

(2) other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

As added by P.L.224-2007, SEC.36. Amended by P.L.146-2008, SEC.203; P.L.145-2012, SEC.4.

IC 6-1.1-20.3-5
Staff; funding; contracts

Sec. 5. (a) The department of local government finance shall provide the board with the staff and assistance that the board reasonably requires.

(b) The department of local government finance shall provide from the department's budget funding to support the board's duties under this chapter.

(c) The board may contract with accountants, financial experts, and other advisors and consultants as necessary to carry out the board's duties under this chapter.

As added by P.L.224-2007, SEC.36. Amended by P.L.146-2008, SEC.204.

IC 6-1.1-20.3-6
Petitions to the board

Sec. 6. (a) The fiscal body and the executive of a political subdivision may jointly file a petition with the board seeking to have the political subdivision designated as a distressed political subdivision under this chapter.

(b) The governing body and the superintendent of a school corporation may do any of the following:

(1) Jointly file a petition with the board seeking relief under section 8.3 of this chapter.

(2) Jointly file a petition with the board seeking to have the school corporation designated as a distressed political subdivision under this chapter.

(3) Jointly file a petition with the board requesting authority to transfer before July 1, 2015, excess funds in the school corporation's debt service fund to the school corporation's transportation fund as provided in section 8.4 of this chapter.

(c) The board may adopt procedures governing the timing and required content of a petition under subsection (a).

As added by P.L.224-2007, SEC.36. Amended by P.L.146-2008, SEC.205; P.L.145-2012, SEC.5; P.L.257-2013, SEC.20.

IC 6-1.1-20.3-6.5
Designation of distressed political subdivisions

Sec. 6.5. (a) After the board receives a petition concerning a political subdivision under section 6(a) or 6(b)(2) of this chapter, the board may designate the political subdivision as a distressed political subdivision if at least one (1) of the following conditions applies to the political subdivision:

(1) The political subdivision has defaulted in payment of principal or interest on any of its bonds or notes.

(2) The political subdivision has failed to make required payments to payroll employees for thirty (30) days or two (2) consecutive payrolls.

(3) The political subdivision has failed to make required payments to judgment creditors for sixty (60) days beyond the

date of the recording of the judgment.

(4) The political subdivision, for at least thirty (30) days beyond the due date, has failed to do any of the following:

(A) Forward taxes withheld on the incomes of employees.

(B) Transfer employer or employee contributions due under the Federal Insurance Contributions Act (FICA).

(C) Deposit the political subdivision's minimum obligation payment to a pension fund.

(5) The political subdivision has accumulated a deficit equal to eight percent (8%) or more of the political subdivision's revenues. For purposes of this subdivision, "deficit" means a negative fund balance calculated as a percentage of revenues at the end of a budget year for any governmental or proprietary fund. The calculation must be presented on an accrual basis according to generally accepted accounting principles.

(6) The political subdivision has sought to negotiate a resolution or an adjustment of claims that in the aggregate:

(A) exceed thirty percent (30%) of the political subdivision's anticipated annual revenues; and

(B) are ninety (90) days or more past due.

(7) The political subdivision has carried over interfund loans for the benefit of the same fund at the end of two (2) successive years.

(8) The political subdivision has been severely affected, as determined by the board, as a result of granting the property tax credits under IC 6-1.1-20.6.

(9) In addition to the conditions listed in subdivisions (1) through (8), and in the case of a school corporation, the board may also designate a school corporation as a distressed political subdivision if at least one (1) of the following conditions applies:

(A) The school corporation has:

(i) issued refunding bonds under IC 5-1-5-2.5; or

(ii) adopted a resolution under IC 5-1-5-2.5 making the determinations and including the information specified in IC 5-1-5-2.5(g).

(B) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's 2011 ADM ranks in the highest ten (10) among all school corporations.

(C) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's total assessed valuation for calendar year 2011 ranks in the highest ten (10) among all school corporations.

(D) The amount of homestead assessed valuation in the school corporation for calendar year 2011 was at least sixty percent (60%) of the total amount of assessed valuation in the school corporation for calendar year 2011.

The board may consider whether a political subdivision has fully exercised all the local options available to the political subdivision,

such as a local option income tax or a local option income tax rate increase or, in the case of a school corporation, an operating referendum.

(b) If the board designates a political subdivision as distressed under subsection (a), the board shall review the designation annually to determine if the distressed political subdivision meets at least one (1) of the conditions listed in subsection (a).

(c) If the board designates a political subdivision as a distressed political subdivision under subsection (a), the board shall immediately notify:

(1) the treasurer of state; and

(2) the county auditor and county treasurer of each county in which the distressed political subdivision is wholly or partially located;

that the board has designated the political subdivision as a distressed political subdivision.

As added by P.L.145-2012, SEC.6. Amended by P.L.257-2013, SEC.21.

IC 6-1.1-20.3-6.7

"Township assistance property tax rate"; designation of certain townships as distressed political subdivisions

Sec. 6.7. (a) As used in this chapter, "township assistance property tax rate" means the property tax rate imposed for the payment of township assistance. In the case of a township that has a separately calculated maximum permissible ad valorem property tax levy for the township's township assistance administration property tax levy and the township's township assistance benefits property tax levy under IC 12-20-21-3.2, "township assistance property tax rate" means the sum of the property tax rate imposed for the township's township assistance administration property tax levy and the property tax rate imposed for the township's township assistance benefits property tax levy.

(b) Subsection (c) applies only to a township for which the township's township assistance property tax rate for property taxes first due and payable in 2014 or in any year thereafter is more than the result of:

(1) the statewide average township assistance property tax rate (as determined by the department of local government finance) for property taxes first due and payable in that same year; multiplied by

(2) twelve (12).

(c) The board may in any year in which this subsection applies to a township (as provided in subsection (b)) designate a township described in subsection (b) as a distressed political subdivision, effective January 1 of the following year, regardless of whether the township has submitted a petition requesting to be designated as a distressed political subdivision.

As added by P.L.234-2013, SEC.3.

IC 6-1.1-20.3-7
Repealed
(Repealed by P.L.145-2012, SEC.7.)

IC 6-1.1-20.3-7.5
Appointment of emergency manager
Sec. 7.5. (a) This section does not apply to a school corporation designated before July 1, 2013, as a distressed political subdivision.
(b) If the board designates a political subdivision as a distressed political subdivision under section 6.5 or 6.7 of this chapter, the board shall appoint an emergency manager for the distressed political subdivision. An emergency manager serves at the pleasure of the board.
(c) The chairperson of the board shall oversee the activities of an emergency manager.
(d) The distressed political subdivision shall pay the emergency manager's compensation and reimburse the emergency manager for actual and necessary expenses.
As added by P.L.145-2012, SEC.8. Amended by P.L.257-2013, SEC.22; P.L.234-2013, SEC.4; P.L.2-2014, SEC.22.

IC 6-1.1-20.3-8
Repealed
(Repealed by P.L.145-2012, SEC.9.)

IC 6-1.1-20.3-8.3
Review of school corporation petition for a loan
Sec. 8.3. After the board receives a petition concerning a school corporation under section 6(b)(1) of this chapter, the board shall review the school corporation's request for a loan from the counter-cyclical revenue and economic stabilization fund under IC 6-1.1-21.4-3(b). The board shall make a recommendation to the state board of finance regarding the loan request. The board may consider whether a school corporation has attempted to secure temporary cash flow loans from the Indiana bond bank or a financial institution in making its recommendation.
As added by P.L.145-2012, SEC.10. Amended by P.L.257-2013, SEC.23.

IC 6-1.1-20.3-8.4
School corporation transfer of excess funds from debt service fund to transportation fund; distressed unit appeals board approval
Sec. 8.4. (a) After the board receives a petition concerning a school corporation under section 6(b)(3) of this chapter, the board shall review the school corporation's request for the authority to transfer excess funds in the school corporation's debt service fund to the school corporation's transportation fund. The board shall make a determination regarding:
(1) whether the school corporation may transfer excess funds in the school corporation's debt service fund to the school

corporation's transportation fund; and

(2) if a transfer is approved under subdivision (1), the amount of excess funds that may be transferred from the school corporation's debt service fund to the school corporation's transportation fund.

(b) The board may not approve a transfer of excess funds from the school corporation's debt service fund to the school corporation's transportation fund if the transfer will occur after June 30, 2015.

(c) This section expires July 1, 2015.

As added by P.L.257-2013, SEC.24.

IC 6-1.1-20.3-8.5

Powers and duties of emergency manager

Sec. 8.5. (a) This section does not apply to a school corporation designated before July 1, 2013, as a distressed political subdivision.

(b) Notwithstanding any other law, an emergency manager of a distressed political subdivision appointed under section 7.5 of this chapter shall do the following:

(1) Assume and exercise the authority and responsibilities of both the executive and the fiscal body of the political subdivision concerning the adoption, amendment, and enforcement of ordinances and resolutions relating to or affecting the fiscal stability of the political subdivision. However, the emergency manager does not have the power to impose taxes or fees in addition to the taxes or fees authorized by the political subdivision before the political subdivision was designated a distressed political subdivision.

(2) Review the political subdivision's budget.

(3) Review salaries of the political subdivision's employees.

(4) Conduct a financial and compliance audit of the internal operations of the political subdivision.

(5) Develop a written financial plan in consultation with the officials of the political subdivision not later than six (6) months after appointment.

(6) Develop a plan for paying all the political subdivision's outstanding obligations.

(7) Review existing labor contracts.

(8) Adopt a budget for the political subdivision for each calendar or fiscal year, as applicable, that the political subdivision remains a distressed political subdivision.

(9) Review payrolls and other claims against the political subdivision before payment.

(10) Make, approve, or disapprove the following:

(A) A contract.

(B) An expenditure.

(C) A loan.

(D) The creation of any new position.

(E) The filling of any vacant position.

(11) Submit a written report to the board every three (3) months concerning:

(A) actions taken by the emergency manager;

(B) expenditures made by the distressed political subdivision; and

(C) the work that has been done to remove the distressed political subdivision from distressed status.

(12) Petition the board to terminate a political subdivision's status as a distressed political subdivision when the conditions found in section 6.5 of this chapter are no longer applicable to the political subdivision.

(c) An emergency manager of a distressed political subdivision appointed under section 7.5 of this chapter may do the following:

(1) Renegotiate existing labor contracts and act as an agent of the political subdivision in collective bargaining.

(2) Reduce or suspend salaries of the political subdivision's employees.

(3) Enter into agreements with other political subdivisions for the provision of services.

(d) Except as provided in section 13(d) of this chapter, an emergency manager of a distressed political subdivision retains the powers and duties described in subsections (b) and (c) until:

(1) the emergency manager resigns or dies;

(2) the board removes the emergency manager; or

(3) the political subdivision's status as a distressed political subdivision is terminated under section 13(b) or 13(c) of this chapter.

As added by P.L.145-2012, SEC.11. Amended by P.L.257-2013, SEC.25; P.L.234-2013, SEC.5; P.L.2-2014, SEC.23.

IC 6-1.1-20.3-8.7

Restrictions on school corporations designated as distressed

Sec. 8.7. A school corporation that is designated a distressed political subdivision may not do any of the following without the approval of the board during the period before the board terminates the school corporation's status as a distressed political subdivision:

(1) Acquire real property for school building purposes.

(2) Construct new school buildings or remodel or renovate existing school buildings.

(3) Incur a contractual obligation (except for a maintenance contract or an employment contract for a new employee whose employment replaces the employment of a former employee) that requires an expenditure of more than thirty thousand dollars ($30,000).

(4) Purchase or enter into an agreement to purchase personal property at a cost of more than thirty thousand dollars ($30,000).

(5) Adopt or advertise a budget, tax levy, or tax rate for an ensuing budget year.

As added by P.L.145-2012, SEC.12.

IC 6-1.1-20.3-9

Record of proceedings

Sec. 9. The board shall keep a record of its proceedings and its orders.

As added by P.L.146-2008, SEC.208.

IC 6-1.1-20.3-10

Petition for judicial review

Sec. 10. A distressed political subdivision may petition the tax court for judicial review of a determination of the board under section 6.5 or 6.7 of this chapter. A school corporation may also petition the tax court for judicial review of a determination of the board under section 8.4 of this chapter. The action must be taken to the tax court under IC 6-1.1-15 in the same manner that an action is taken to appeal a final determination of the Indiana board of tax review. The petition must be filed in the tax court not more than forty-five (45) days after the board enters its final determination.

As added by P.L.146-2008, SEC.209. Amended by P.L.145-2012, SEC.13; P.L.257-2013, SEC.26; P.L.234-2013, SEC.6; P.L.2-2014, SEC.24.

IC 6-1.1-20.3-11

Court rules; procedure

Sec. 11. The tax court shall adopt rules and procedures under which proceedings are heard and decided.

As added by P.L.146-2008, SEC.210.

IC 6-1.1-20.3-12

Burden of proof; findings of fact; grounds for relief

Sec. 12. (a) The burden of demonstrating the invalidity of an action taken by the board is on the party to the judicial review proceeding asserting the invalidity.

(b) The validity of an action taken by the distressed unit appeal board shall be determined in accordance with the standards of review provided in this section as applied to the agency action at the time it was taken.

(c) The tax court shall make findings of fact on each material issue on which the court's decision is based.

(d) The tax court shall grant relief under IC 33-26-6-7 only if the tax court determines that a person seeking judicial relief has been prejudiced by an action of the board that is:

(1) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

(2) contrary to constitutional right, power, privilege, or immunity;

(3) in excess of statutory jurisdiction, authority, or limitations, or short of statutory jurisdiction, authority, or limitations;

(4) without observance of procedure required by law; or

(5) unsupported by substantial or reliable evidence.

As added by P.L.146-2008, SEC.211.

IC 6-1.1-20.3-13
Petition for termination of distressed status

Sec. 13. (a) If:

(1) an emergency manager of a distressed political subdivision;

(2) the fiscal body and executive of the political subdivision jointly; or

(3) the governing body of a school corporation that:

(A) employs a new superintendent; or

(B) has a new member elected or appointed to its governing body;

during the time the school corporation is a distressed political subdivision;

files a petition with the board for termination of the political subdivision's status as a distressed political subdivision, the board shall conduct a public hearing on the question of whether to terminate the political subdivision's status as a distressed political subdivision.

(b) In the case of a political subdivision designated as distressed under section 6.5 of this chapter, the board shall terminate the political subdivision's status as a distressed political subdivision if the board finds that the conditions found in section 6.5 of this chapter are no longer applicable to the political subdivision.

(c) In the case of a township designated as distressed under section 6.7 of this chapter, the board shall terminate the township's status as a distressed political subdivision if the board finds that the township's township assistance property tax rate (as defined in section 6.7(a) of this chapter) for the current calendar year is not more than the result of:

(1) the statewide average township assistance property tax rate (as determined by the department of local government finance) for property taxes first due and payable in that same year; multiplied by

(2) twelve (12).

(d) Notwithstanding any other section of this chapter, not later than ninety (90) days after taking office, a new executive of a distressed political subdivision may petition the board for suspension of the political subdivision's distressed status. In the case of a political subdivision designated as distressed under section 6.5 of this chapter, the executive must include in its petition a written plan to resolve the applicable issues described in section 6.5 of this chapter. In the case of a township designated as distressed under section 6.7 of this chapter, the executive must include in its petition a written plan to lower the township's township assistance property tax rate (as defined in section 6.7(a) of this chapter). If the board approves the executive's written plan, the board may suspend the political subdivision's distressed status for one hundred eighty (180) days. Suspension under this chapter terminates automatically upon expiration of the one hundred eighty (180) day period. The board may consider a petition to terminate the political subdivision's distressed status during a period of suspension.

As added by P.L.145-2012, SEC.14. Amended by P.L.257-2013,

SEC.27; P.L.234-2013, SEC.7; P.L.2-2014, SEC.25.

IC 6-1.1-20.3-14
Office of management and budget review of the board

Sec. 14. (a) The office of management and budget shall:

(1) review the board's organizational structure, the board's composition, the number of board members, and the staffing, policies, procedures, and capabilities of the board; and

(2) determine whether the board requires any additional powers or resources to carry out section 15 of this chapter.

(b) The office of management and budget may:

(1) recommend any legislation necessary to provide the board with sufficient powers and resources to carry out section 15 of this chapter; and

(2) submit the recommended legislation to the general assembly for consideration in the 2015 legislative session.

The office of management and budget shall submit the recommended legislation under subdivision (2) in an electronic format under IC 5-14-6.

As added by P.L.84-2014, SEC.7.

IC 6-1.1-20.3-15
Requests for technical assistance from the board

Sec. 15. (a) After June 30, 2015, the executive of a political subdivision may request technical assistance from the board in helping prevent the political subdivision from becoming a distressed political subdivision. The board, by using the health fiscal indicators developed under IC 5-14-3.7-16 or IC 5-14-3.8-8, shall determine whether to provide assistance to the political subdivision.

(b) The board may do any of the following for a political subdivision that receives assistance under subsection (a):

(1) Provide information and technical assistance with respect to the data management, accounting, or other aspects of the fiscal management of the political subdivision.

(2) Assist the political subdivision in obtaining assistance from state agencies and other resources.

As added by P.L.84-2014, SEC.8.

IC 6-1.1-20.4

Chapter 20.4. Local Homestead Credits

IC 6-1.1-20.4-1

"Homestead"

Sec. 1. As used in this chapter, "homestead" has the meaning set forth in IC 6-1.1-12-37.

As added by P.L.246-2005, SEC.61. Amended by P.L.1-2009, SEC.44.

IC 6-1.1-20.4-2

"Property tax liability"

Sec. 2. As used in this chapter, "property tax liability" means liability for the tax imposed on property under this article determined after application of all credits and deductions under this article, except the credit under this chapter, but does not include any interest or penalty imposed under this article.

As added by P.L.246-2005, SEC.61.

IC 6-1.1-20.4-3

"Revenue"

Sec. 3. As used in this chapter, "revenue" includes revenue received by a political subdivision under any law or from any person.

As added by P.L.246-2005, SEC.61.

IC 6-1.1-20.4-4

Requirement for credit; adoption of ordinance or resolution

Sec. 4. (a) A political subdivision may adopt an ordinance or resolution each year to provide for the use of revenue for the purpose of providing a homestead credit the following year to homesteads. An ordinance must be adopted under this section before December 31 for credits to be provided in the following year. The ordinance applies only to the immediately following year.

(b) A homestead credit under this chapter is to be applied to the net property tax liability due on the homestead.

As added by P.L.246-2005, SEC.61. Amended by P.L.146-2008, SEC.212.

IC 6-1.1-20.4-5

Calculation of credit

Sec. 5. An ordinance or resolution adopted under this chapter must provide for a homestead credit that is either a uniform:

(1) percentage of the net property taxes due on the homestead after the application of all other deductions and credits; or

(2) dollar amount applicable to each homestead.

The ordinance or resolution must specify the percentage or the dollar amount.

As added by P.L.246-2005, SEC.61.

IC 6-1.1-20.4-6

Credit applicable only to homestead

Sec. 6. If the credit under this chapter is authorized for property taxes first due and payable in a calendar year, a person is entitled to a credit against the person's property tax liability for property taxes first due and payable in that calendar year attributable to the person's homestead located in the county.

As added by P.L.246-2005, SEC.61.

IC 6-1.1-20.4-7

Exemption from filing requirement

Sec. 7. A person is not required to file an application for the credit under this chapter. The county auditor shall:

(1) identify qualified homesteads in the political subdivision that are eligible for the credit under this chapter; and

(2) apply the credit under this chapter to property tax liability on the identified homestead.

As added by P.L.246-2005, SEC.61.

IC 6-1.1-20.4-8

Adjustment of distributions to reflect credit

Sec. 8. If an ordinance or resolution is adopted under this chapter, the county auditor shall, for the calendar year in which a homestead credit is authorized under this chapter, account for the revenue used to provide the homestead credit in a manner so that no other political subdivision in the county suffers a revenue loss because of the allowance of the homestead credit.

As added by P.L.246-2005, SEC.61.

IC 6-1.1-20.4-9

Limitations on recovering lost revenue

Sec. 9. The application of the credit under this chapter results in a reduction of the property tax collections of the political subdivision which provided the credit. A political subdivision may not increase its property tax levy to make up for that reduction.

As added by P.L.246-2005, SEC.61.

IC 6-1.1-20.5
Repealed

(Repealed by P.L.291-2001, SEC.123.)

IC 6-1.1-20.6

Chapter 20.6. Credit for Excessive Property Taxes

IC 6-1.1-20.6-0.3

General assembly findings

Sec. 0.3. The general assembly finds and determines the following:

(1) Lake County and St. Joseph County are counties for which limits to property tax liability under this chapter (and as described in the proposed subsection (h) of Article 10, Section 1 of the Constitution of the State of Indiana as included in Senate Joint Resolution 1 of the 2008 session of the general assembly) are expected to reduce in 2010 the aggregate property tax revenue that would otherwise be collected by all units of local government and school corporations in the county by at least twenty percent (20%).

(2) Lake County and St. Joseph County are each an eligible county for purposes of:

(A) the proposed subsection (h) of Article 10, Section 1 of the Constitution of the State of Indiana as included in Senate Joint Resolution 1 of the 2008 session of the general assembly; and

(B) this chapter.

As added by P.L.220-2011, SEC.127.

IC 6-1.1-20.6-0.5

"Agricultural land"

Sec. 0.5. As used in this chapter, "agricultural land" refers to land assessed as agricultural land under the real property assessment rules and guidelines of the department of local government finance.

As added by P.L.146-2008, SEC.213.

IC 6-1.1-20.6-1

Repealed

(Repealed by P.L.146-2008, SEC.811.)

IC 6-1.1-20.6-1.2

"Common areas"

Sec. 1.2. (a) This section applies to credit determinations after 2013.

(b) As used in this chapter, "common areas" means any of the following:

(1) Residential property improvements on real property on which a building that includes two (2) or more dwelling units, a mobile home, or a manufactured home is located, including all roads, swimming pools, tennis courts, basketball courts, playgrounds, carports, garages, other parking areas, gazebos, decks, and patios.

(2) The land and all appurtenances to the land used in connection with a building or structure described in subdivision

(1), including land that is outside the footprint of the building, mobile home, manufactured home, or improvement.

As added by P.L.288-2013, SEC.21.

IC 6-1.1-20.6-1.6
"Gross assessed value"

Sec. 1.6. As used in this chapter, "gross assessed value" refers to the assessed value of property after the application of all exemptions under IC 6-1.1-10 or any other provision.

As added by P.L.146-2008, SEC.214.

IC 6-1.1-20.6-2
"Homestead"

Sec. 2. (a) As used in this chapter, "homestead" refers to a homestead that has been granted a standard deduction under IC 6-1.1-12-37.

(b) The term includes a house or apartment that is owned or leased by a cooperative housing corporation (as defined in 26 U.S.C. 216(b)).

As added by P.L.246-2005, SEC.62. Amended by P.L.146-2008, SEC.215; P.L.182-2009(ss), SEC.151; P.L.257-2013, SEC.28.

IC 6-1.1-20.6-2.3
"Long term care property"

Sec. 2.3. As used in this chapter, "long term care property" means property that:

(1) is used for the long term care of an impaired individual; and

(2) is one (1) of the following:

(A) A health facility licensed under IC 16-28.

(B) A housing with services establishment (as defined in IC 12-10-15-3) that is allowed to use the term "assisted living" to describe the housing with services establishment's services and operations to the public.

(C) An independent living home that, under contractual agreement, serves not more than eight (8) individuals who:

(i) have a mental illness or developmental disability;

(ii) require regular but limited supervision; and

(iii) reside independently of their families.

As added by P.L.146-2008, SEC.216.

IC 6-1.1-20.6-2.4
"Manufactured home"; "mobile home"

Sec. 2.4. As used in this chapter:

(1) "manufactured home" has the meaning set forth in IC 22-12-1-16; and

(2) "mobile home" has the meaning set forth in IC 16-41-27-4.

As added by P.L.146-2008, SEC.217.

IC 6-1.1-20.6-2.5
"Nonresidential real property"

Sec. 2.5. (a) As used in this chapter, "nonresidential real property" refers to either of the following:

(1) Real property that:

(A) is not:

(i) a homestead; or

(ii) residential property; and

(B) consists of:

(i) a building or other land improvement; and

(ii) the land, not exceeding the area of the building footprint or improvement footprint, on which the building or improvement is located.

(2) Undeveloped land in the amount of the remainder of:

(A) the area of a parcel; minus

(B) the area of the parcel that is part of:

(i) a homestead; or

(ii) residential property.

(b) The term does not include agricultural land.

As added by P.L.146-2008, SEC.218.

IC 6-1.1-20.6-3
"Property tax liability"

Sec. 3. As used in this chapter, "property tax liability" means, for purposes of:

(1) this chapter, other than section 8.5 of this chapter, liability for the tax imposed on property under this article determined after application of all credits and deductions under this article or IC 6-3.5, except the credit under this chapter, but does not include any interest or penalty imposed under this article; and

(2) section 8.5 of this chapter, liability for the tax imposed on property under this article determined after application of all credits and deductions under this article or IC 6-3.5, including the credit granted by section 7 or 7.5 of this chapter, but not including the credit granted under section 8.5 of this chapter or any interest or penalty imposed under this article.

As added by P.L.246-2005, SEC.62. Amended by P.L.146-2008, SEC.219.

IC 6-1.1-20.6-3.5
Repealed

(Repealed by P.L.182-2009(ss), SEC.465.)

IC 6-1.1-20.6-4
"Residential property"

Sec. 4. As used in this chapter, "residential property" refers to real property that consists of any of the following:

(1) A single family dwelling that is not part of a homestead and the land, not exceeding one (1) acre, on which the dwelling is located.

(2) Real property that consists of:

(A) a building that includes two (2) or more dwelling units;

(B) any common areas shared by the dwelling units (including any land that is a common area, as described in section 1.2(b)(2) of this chapter); and

(C) the land on which the building is located.

(3) Land rented or leased for the placement of a manufactured home or mobile home, including any common areas shared by the manufactured homes or mobile homes.

The term includes a single family dwelling that is under construction and the land, not exceeding one (1) acre, on which the dwelling will be located. The term does not include real property that consists of a commercial hotel, motel, inn, tourist camp, or tourist cabin.

As added by P.L.246-2005, SEC.62. Amended by P.L.162-2006, SEC.7; P.L.146-2008, SEC.221; P.L.131-2008, SEC.4; P.L.288-2013, SEC.22; P.L.166-2014, SEC.4.

IC 6-1.1-20.6-5
Repealed

(Repealed by P.L.146-2008, SEC.811.)

IC 6-1.1-20.6-6
Repealed

(Repealed by P.L.146-2008, SEC.811.)

IC 6-1.1-20.6-6.5
Repealed

(Repealed by P.L.146-2008, SEC.811.)

IC 6-1.1-20.6-7
Calculation of credit

Sec. 7. (a) This subsection applies to property taxes first due and payable in 2009. A person is entitled to a credit against the person's property tax liability for property taxes first due and payable in 2009. The amount of the credit is the amount by which the person's property tax liability attributable to the person's:

(1) homestead exceeds one and five-tenths percent (1.5%);

(2) residential property exceeds two and five-tenths percent (2.5%);

(3) long term care property exceeds two and five-tenths percent (2.5%);

(4) agricultural land exceeds two and five-tenths percent (2.5%);

(5) nonresidential real property exceeds three and five-tenths percent (3.5%); or

(6) personal property exceeds three and five-tenths percent (3.5%);

of the gross assessed value of the property that is the basis for determination of property taxes for that calendar year.

(b) This subsection applies to property taxes first due and payable in 2009. Property taxes imposed after being approved by the voters in a referendum or local public question shall not be considered for purposes of calculating a person's credit under this section.

(c) This subsection applies to property taxes first due and payable in 2009. As used in this subsection, "eligible county" means only a county for which the general assembly determines in 2008 that limits to property tax liability under this chapter are expected to reduce in 2010 the aggregate property tax revenue that would otherwise be collected by all units of local government and school corporations in the county by at least twenty percent (20%). Property taxes imposed in an eligible county to pay debt service or make lease payments for bonds or leases issued or entered into before July 1, 2008, shall not be considered for purposes of calculating a person's credit under this section.

As added by P.L.246-2005, SEC.62. Amended by P.L.162-2006, SEC.10; P.L.224-2007, SEC.38; P.L.146-2008, SEC.222; P.L.1-2010, SEC.30.

IC 6-1.1-20.6-7.5

Calculation of credit

Sec. 7.5. (a) A person is entitled to a credit against the person's property tax liability for property taxes first due and payable after 2009. The amount of the credit is the amount by which the person's property tax liability attributable to the person's:

(1) homestead exceeds one percent (1%);
(2) residential property exceeds two percent (2%);
(3) long term care property exceeds two percent (2%);
(4) agricultural land exceeds two percent (2%);
(5) nonresidential real property exceeds three percent (3%); or
(6) personal property exceeds three percent (3%);

of the gross assessed value of the property that is the basis for determination of property taxes for that calendar year.

(b) This subsection applies to property taxes first due and payable after 2009. Property taxes imposed after being approved by the voters in a referendum or local public question shall not be considered for purposes of calculating a person's credit under this section.

(c) This subsection applies to property taxes first due and payable after 2009. As used in this subsection, "eligible county" means only a county for which the general assembly determines in 2008 that limits to property tax liability under this chapter are expected to reduce in 2010 the aggregate property tax revenue that would otherwise be collected by all units of local government and school corporations in the county by at least twenty percent (20%). Property taxes imposed in an eligible county:

(1) to pay debt service:
  (A) on bonds issued before July 1, 2008; or
  (B) on bonds that:
    (i) are issued to refund bonds originally issued before July 1, 2008; and
    (ii) have a maturity date that is not later than the maturity date of the bonds refunded;
(2) to make lease payments on leases entered into before July 1, 2008, to secure bonds;

(3) to make lease payments on leases:
(A) that are amended to refund bonds secured by leases entered into before July 1, 2008; and
(B) that have a term that is not longer than the term of the leases amended; or
(4) to make lease payments on leases:
(A) that secure bonds:
(i) issued to refund bonds originally issued before July 1, 2008; and
(ii) that have a maturity date that is not later than the maturity date of the bonds refunded; and
(B) that have a term that ends not later than the maturity date of the bonds refunded;
shall not be considered for purposes of calculating a person's credit under this section.
As added by P.L.146-2008, SEC.223. Amended by P.L.205-2013, SEC.77.

IC 6-1.1-20.6-8
Exemption from filing requirement
Sec. 8. Except as provided in section 8.5 of this chapter, a person is not required to file an application for the credit under this chapter. The county auditor shall:
(1) identify the property in the county eligible for the credit under this chapter; and
(2) apply the credit under this chapter to property tax liability on the identified property.
As added by P.L.246-2005, SEC.62. Amended by P.L.162-2006, SEC.11; P.L.146-2008, SEC.224.

IC 6-1.1-20.6-8.5
Additional credit for certain homesteads; eligibility and filing requirements
Sec. 8.5. (a) This section applies to an individual who:
(1) qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year (or was married at the time of death to a deceased spouse who qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year);
(2) qualifies for a standard deduction granted under IC 6-1.1-12-37 for the same homestead property in the current calendar year;
(3) is or will be at least sixty-five (65) years of age on or before December 31 of the calendar year immediately preceding the current calendar year; and
(4) had:
(A) in the case of an individual who filed a single return, adjusted gross income (as defined in Section 62 of the

Internal Revenue Code) not exceeding thirty thousand dollars ($30,000); 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 forty thousand dollars ($40,000);

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

(b) This section does not apply if the gross assessed value of the homestead on the assessment date for which property taxes are imposed is at least one hundred sixty thousand dollars ($160,000).

(c) An individual is entitled to an additional credit under this section for property taxes first due and payable for a calendar year on a homestead if:

(1) the individual and the homestead qualify for the credit under subsection (a) for the calendar year;

(2) the homestead is not disqualified for the credit under subsection (b) for the calendar year; and

(3) the filing requirements under subsection (e) are met.

(d) The amount of the credit is equal to the greater of zero (0) or the result of:

(1) the property tax liability first due and payable on the homestead property for the calendar year; minus

(2) the result of:

(A) the property tax liability first due and payable on the qualified homestead property for the immediately preceding year after the application of the credit granted under this section for that year; multiplied by

(B) one and two hundredths (1.02).

However, property tax liability imposed on any improvements to or expansion of the homestead property after the assessment date for which property tax liability described in subdivision (2) was imposed shall not be considered in determining the credit granted under this section in the current calendar year.

(e) Applications for a credit under this section shall be filed in the manner provided for an application for a deduction under IC 6-1.1-12-9. However, an individual who remains eligible for the credit in the following year is not required to file a statement to apply for the credit in the following year. An individual who receives a credit under this section in a particular year and who becomes ineligible for the credit in the following year shall notify the auditor of the county in which the homestead is located of the individual's ineligibility not later than sixty (60) days after the individual becomes ineligible.

(f) The auditor of each county shall, in a particular year, apply a credit provided under this section to each individual who received the credit in the preceding year unless the auditor determines that the individual is no longer eligible for the credit.

As added by P.L.146-2008, SEC.225. Amended by P.L.182-2009(ss), SEC.152; P.L.113-2010, SEC.38.

IC 6-1.1-20.6-9
Repealed

(Repealed by P.L.146-2008, SEC.810.)

IC 6-1.1-20.6-9.5
Effect of credit on revenues

Sec. 9.5. (a) This section applies only to credits under this chapter against property taxes first due and payable after December 31, 2006.

(b) The application of the credit under this chapter results in a reduction of the property tax collections of each political subdivision in which the credit is applied. Except as provided in IC 20-46-1, a political subdivision may not increase its property tax levy to make up for that reduction.

(c) A political subdivision may not borrow money to compensate the political subdivision or any other political subdivision for the reduction of property tax collections referred to in subsection (b).

As added by P.L.162-2006, SEC.13. Amended by P.L.172-2011, SEC.41; P.L.218-2013, SEC.11.

IC 6-1.1-20.6-9.8
Allocation of taxes exempted from credit

Sec. 9.8. (a) This section applies to property taxes first due and payable after December 31, 2009.

(b) The following definitions apply throughout this section:

(1) "Debt service obligations of a political subdivision" refers to:

(A) the principal and interest payable during a calendar year on bonds; and

(B) lease rental payments payable during a calendar year on leases;

of a political subdivision payable from ad valorem property taxes.

(2) "Protected taxes" refers to the following:

(A) Property taxes that are exempted from the application of a credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or another law.

(B) Property taxes imposed by a political subdivision to pay for debt service obligations of a political subdivision that are not exempted from the application of a credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or any other law. Property taxes described in this subsection are subject to the credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter regardless of their designation as protected taxes.

(3) "Unprotected taxes" refers to property taxes that are not protected taxes.

(c) Except as provided in subsection (e) for property taxes due and payable in 2013, the total amount of revenue to be distributed to the

fund for which the protected taxes were imposed shall be determined as if no credit were granted under section 7 or 7.5 of this chapter. The total amount of the loss in revenue resulting from the granting of credits under section 7 or 7.5 of this chapter must reduce only the amount of unprotected taxes distributed to a fund using the following criteria:

(1) The reduction may be allocated in the amounts determined by the political subdivision using a combination of unprotected taxes of the political subdivision in those taxing districts in which the credit caused a reduction in protected taxes.

(2) The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

(d) When:

(1) the revenue that otherwise would be distributed to a fund receiving only unprotected taxes is reduced entirely under subsection (c) and the remaining revenue is insufficient for a fund receiving protected taxes to receive the revenue specified by subsection (c); or

(2) there is not a fund receiving only unprotected taxes from which to distribute revenue;

the revenue distributed to the fund receiving protected taxes must also be reduced. If the revenue distributed to a fund receiving protected taxes is reduced, the political subdivision may transfer money from one (1) or more of the other funds of the political subdivision to offset the loss in revenue to the fund receiving protected taxes. The transfer is limited to the amount necessary for the fund receiving protected taxes to receive the revenue specified under subsection (c). The amount transferred shall be specifically identified as a debt service obligation transfer for each affected fund.

(e) This subsection applies to property taxes due and payable in 2013. The total amount of the loss in revenue resulting from the granting of credits under section 7 or 7.5 of this chapter must reduce the amount of protected and unprotected property taxes distributed to a fund in proportion to the property tax levy imposed for that fund relative to the total of all protected and unprotected property tax levies imposed by the political subdivision. The allocations shall be made after the political subdivision receives its distribution.

As added by P.L.172-2011, SEC.42. Amended by P.L.137-2012, SEC.35; P.L.257-2013, SEC.29.

IC 6-1.1-20.6-9.9

Allocation of credits by eligible school corporations

Sec. 9.9. (a) A school corporation is eligible to allocate credits proportionately under this section for 2014, 2015, or 2016, if the school corporation's percentage computed under this subsection is at least ten percent (10%) for its transportation fund levy for that year, as certified by the department of local government finance. A school corporation shall compute its percentage under this subsection as follows:

(1) Compute the amount of credits granted under this chapter

against the school corporation's levy for the school corporation's transportation fund.

(2) Compute the school corporation's levy for the school corporation's transportation fund.

(3) Divide the amount computed under subdivision (1) by the amount computed under subdivision (2) and express it as a percentage.

The computation must be made by taking into account the requirements of section 9.8 of this chapter regarding protected taxes and the impact of credits granted under this chapter on the revenue to be distributed to the school corporation's transportation fund for the particular year.

(b) A school corporation that desires to be an eligible school corporation under this section must, before May 1 of the year for which it wants a determination, submit a written request for a certification by the department of local government finance that the computation of the school corporation's percentage under subsection (a) is correct. The department of local government finance shall, not later than June 1 of that year, determine whether the percentage computed by the school corporation is accurate and certify whether the school corporation is eligible under this section.

(c) For a school corporation that is certified as eligible under this section, the school corporation may allocate the effect of the credits granted under this chapter proportionately among all the school corporation's property tax funds that are not exempt under section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund and without taking into account the requirements of section 9.8 of this chapter regarding protected taxes.

As added by P.L.120-2014, SEC.3.

IC 6-1.1-20.6-10

Payment of debt service obligations

Sec. 10. (a) As used in this section, "debt service obligations of a political subdivision" refers to:

(1) the principal and interest payable during a calendar year on bonds; and

(2) lease rental payments payable during a calendar year on leases;

of a political subdivision payable from ad valorem property taxes.

(b) Political subdivisions are required by law to fully fund the payment of their debt obligations in an amount sufficient to pay any debt service or lease rentals on outstanding obligations, regardless of any reduction in property tax collections due to the application of tax credits granted under this chapter.

(c) Upon the failure of a political subdivision to pay any of the political subdivision's debt service obligations during a calendar year when due, the treasurer of state, upon being notified of the failure by a claimant, shall pay the unpaid debt service obligations that are due from money in the possession of the state that would otherwise be available for distribution to the political subdivision under any other

law, deducting the payment from the amount distributed. A deduction under this subsection must be made:

(1) first from distributions of county adjusted gross income tax distributions under IC 6-3.5-1.1, county option income tax distributions under IC 6-3.5-6, or county economic development income tax distributions under IC 6-3.5-7 that would otherwise be distributed to the county under the schedule in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-16, IC 6-3.5-6-17.3, IC 6-3.5-7-17, and IC 6-3.5-7-17.3; and

(2) second from any other undistributed funds of the political subdivision in the possession of the state.

(d) This section shall be interpreted liberally so that the state shall to the extent legally valid ensure that the debt service obligations of each political subdivision are paid when due. However, this section does not create a debt of the state.

As added by P.L.146-2008, SEC.226. Amended by P.L.172-2011, SEC.43; P.L.137-2012, SEC.36.

IC 6-1.1-20.6-11

Report; effect of circuit breaker on taxing unit revenues

Sec. 11. The department of local government finance shall annually publish a report on its Internet web site that lists the amount that each taxing unit's distribution of property taxes will be reduced under section 9.5 of this chapter as a result of the granting of the credits.

As added by P.L.146-2008, SEC.227. Amended by P.L.137-2012, SEC.37.

IC 6-1.1-20.6-12

Application of credit of excise tax distribution calculations

Sec. 12. For purposes of computing and distributing after 2008 any excise taxes or local option income taxes for which the distribution is based on the amount of a taxing unit's property tax levy, the computation and distribution of the excise tax or local option income tax shall be based on the taxing unit's property tax levy as calculated before any reduction due to credits provided to taxpayers under this chapter.

As added by P.L.146-2008, SEC.228.

IC 6-1.1-20.7
Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-20.8
Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-20.9
Repealed

(Repealed by P.L.146-2008, SEC.813.)

IC 6-1.1-21
Repealed

(Repealed by P.L.146-2008, SEC.813.)

IC 6-1.1-21.1

Chapter 21.1. Rainy Day Fund Loans to the City of LaPorte

IC 6-1.1-21.1-1

"Board"

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-2

Findings of general assembly

Sec. 2. The general assembly finds that:

(1) distributions of property tax revenue for 2008 and 2009 to the city of LaPorte either:

(A) have not been made; or

(B) have been delayed by more than sixty (60) days after either due date specified in IC 6-1.1-22-9;

as a result of a state ordered reassessment of property in the county; and

(2) the city is having severe difficulty carrying out the governmental functions committed to it by law as a result of the delay in the distribution of tax revenue to the city.

As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-3

City may apply to board for loan

Sec. 3. The city of LaPorte, with the approval of the fiscal body of the city, may apply to the board for a loan from the counter-cyclical revenue and economic stabilization fund.

As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-4

Board determines terms of any loan after review by budget committee

Sec. 4. Subject to this chapter, the board, after review by the budget committee, shall determine the terms of any loan made under this chapter.

As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-5

Interest on loan

Sec. 5. Interest may be imposed on the loan at a rate determined by the board.

As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-6

Limit on amount of loan

Sec. 6. The total amount of all loans under this chapter for all calendar years may not exceed the amount of revenue that the board determines has not been collected by the city of LaPorte from

property taxes in 2008 and 2009 on the date of the loan.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-7
Term of loan repayment; penalty

Sec. 7. If the city of LaPorte receives a loan under this chapter, the city must repay the loan within seventy-two (72) months after the date on which the loan is made. No penalty may be imposed for repaying a loan before the term of the loan.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-8
Disbursement of loan proceeds by board

Sec. 8. The board may disburse in installments the proceeds of a loan made under this chapter.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-9
Repayment of loan by city from any revenue sources

Sec. 9. The city of LaPorte may repay a loan made under this chapter from any sources of revenue.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-10
Obligation to repay loan not basis to obtain excessive tax levy

Sec. 10. The obligation to repay a loan made under this chapter is not a basis for the city of LaPorte to obtain an excessive tax levy.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-11
Deposit by board of loan payments

Sec. 11. Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-12
Loan proceeds received not considered part of levy excess

Sec. 12. The proceeds of a loan received by an eligible taxing unit under this chapter are not considered to be part of the ad valorem property tax levy actually collected by the city of LaPorte for taxes first due and payable during a particular calendar year for the purpose of calculating levy excess.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-13
Chapter constitutes complete authority for loans

Sec. 13. The notes and the authorization, issuance, sale, and delivery of the notes are not subject to any general statute concerning obligations issued by the local governmental entity borrower. This

chapter contains full and complete authority for the making of the loan, the authorization, issuance, sale, and delivery of the notes, and the repayment of the loan by the borrower, and no law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by any officer, department, agency, or instrument of the state or of any political subdivision is required to make the loan, issue the notes, or repay the loan except as prescribed in this chapter.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.1-14
Treasurer of state payment of delinquent loan payments from city funds held by state

Sec. 14. Upon the failure of the city of LaPorte to make any of the city's payments on a loan granted under this chapter when due, the treasurer of state, upon being notified of the failure by the board, may pay the unpaid amount that is due from the funds held by the state that would be otherwise distributable to the city.
As added by P.L.182-2009(ss), SEC.153.

IC 6-1.1-21.2

Chapter 21.2. Tax Increment Replacement

IC 6-1.1-21.2-1

Repealed

(Repealed by P.L.146-2008, SEC.803.)

IC 6-1.1-21.2-2

Applicability of definitions in IC 36

Sec. 2. Except as otherwise provided, the definitions in IC 36 apply throughout this chapter.

As added by P.L.192-2002(ss), SEC.44.

IC 6-1.1-21.2-3

"Allocation area"

Sec. 3. As used in this chapter, "allocation area" refers to an area that is established under the authority of any of the following statutes and in which tax increment revenues are collected:

(1) IC 6-1.1-39.
(2) IC 8-22-3.5.
(3) IC 36-7-14.
(4) IC 36-7-14.5.
(5) IC 36-7-15.1.
(6) IC 36-7-30.
(7) IC 36-7-30.5.

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.146-2008, SEC.231.

IC 6-1.1-21.2-4

"Base assessed value"

Sec. 4. As used in this chapter, "base assessed value" means the base assessed value as that term is defined or used in:

(1) IC 6-1.1-39-5(h);
(2) IC 8-22-3.5-9(a);
(3) IC 8-22-3.5-9.5;
(4) IC 36-7-14-39(a);
(5) IC 36-7-14-39.2;
(6) IC 36-7-14-39.3(c);
(7) IC 36-7-14-48;
(8) IC 36-7-14.5-12.5;
(9) IC 36-7-15.1-26(a);
(10) IC 36-7-15.1-26.2(c);
(11) IC 36-7-15.1-35(a);
(12) IC 36-7-15.1-35.5;
(13) IC 36-7-15.1-53;
(14) IC 36-7-15.1-55(c);
(15) IC 36-7-30-25(a)(2);
(16) IC 36-7-30-26(c);
(17) IC 36-7-30.5-30; or
(18) IC 36-7-30.5-31.

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.1-2003, SEC.27; P.L.146-2008, SEC.232.

IC 6-1.1-21.2-5
"District"

Sec. 5. As used in this chapter, "district" refers to the following:

(1) An economic development district under IC 6-1.1-39.

(2) An eligible entity (as defined in IC 8-22-3.5-2.5).

(3) A redevelopment district, for an allocation area established under:

(A) IC 36-7-14; or

(B) IC 36-7-15.1.

(4) A special taxing district, as described in:

(A) IC 36-7-14.5-12.5(d); or

(B) IC 36-7-30-3(b).

(5) A military base development area under IC 36-7-30.5-16.

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.146-2008, SEC.233.

IC 6-1.1-21.2-6
"Governing body"

Sec. 6. As used in this chapter, "governing body" means the following:

(1) For an allocation area created under IC 6-1.1-39, the fiscal body of the county (as defined in IC 36-1-2-6).

(2) For an allocation area created under IC 8-22-3.5, the commission (as defined in IC 8-22-3.5-2).

(3) For an allocation area created under IC 36-7-14, the redevelopment commission.

(4) For an allocation area created under IC 36-7-14.5, the redevelopment authority.

(5) For an allocation area created under IC 36-7-15.1, the metropolitan development commission.

(6) For an allocation area created under IC 36-7-30, the military base reuse authority.

(7) For an allocation area created under IC 36-7-30.5, the military base development authority.

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.146-2008, SEC.234.

IC 6-1.1-21.2-6.6
"Obligation"

Sec. 6.6. As used in this chapter, "obligation" means an obligation to repay:

(1) the principal and interest on bonds;

(2) lease rentals on leases; or

(3) any other contractual obligation;

payable from tax increment revenues. The term includes a guarantee of repayment from tax increment revenues if other revenues are insufficient to make a payment.

As added by P.L.146-2008, SEC.235.

IC 6-1.1-21.2-7
"Property taxes"

Sec. 7. As used in this chapter, "property taxes" means:

(1) property taxes, as defined in:

(A) IC 6-1.1-39-5(g);
(B) IC 36-7-14-39(a);
(C) IC 36-7-14-39.2;
(D) IC 36-7-14-39.3(c);
(E) IC 36-7-14.5-12.5;
(F) IC 36-7-15.1-26(a);
(G) IC 36-7-15.1-26.2(c);
(H) IC 36-7-15.1-53(a);
(I) IC 36-7-15.1-55(c);
(J) IC 36-7-30-25(a)(3);
(K) IC 36-7-30-26(c);
(L) IC 36-7-30.5-30; or
(M) IC 36-7-30.5-31; or

(2) for allocation areas created under IC 8-22-3.5, the taxes assessed on taxable tangible property in the allocation area.

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.146-2008, SEC.236.

IC 6-1.1-21.2-8
"Special fund"

Sec. 8. As used in this chapter, "special fund" means:

(1) the special funds referred to in IC 6-1.1-39-5;
(2) the special funds referred to in IC 8-22-3.5-9(e);
(3) the allocation fund referred to in IC 36-7-14-39(b)(3);
(4) the allocation fund referred to in IC 36-7-14.5-12.5(d);
(5) the special fund referred to in IC 36-7-15.1-26(b)(3);
(6) the special fund referred to in IC 36-7-15.1-53(b)(3);
(7) the allocation fund referred to in IC 36-7-30-25(b)(3); or
(8) the allocation fund referred to in IC 36-7-30.5-30(b)(3).

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.146-2008, SEC.237; P.L.203-2011, SEC.2.

IC 6-1.1-21.2-9
"Tax increment replacement amount"

Sec. 9. As used in this chapter, "tax increment replacement amount" means the tax increment replacement amount determined under section 11 of this chapter.

As added by P.L.192-2002(ss), SEC.44.

IC 6-1.1-21.2-10
"Tax increment revenues"

Sec. 10. As used in this chapter, "tax increment revenues" means the property taxes attributable to the assessed value of property in excess of the base assessed value.

As added by P.L.192-2002(ss), SEC.44.

IC 6-1.1-21.2-11
Tax increment replacement amount; calculation

Sec. 11. (a) The governing body shall estimate the tax increment replacement amount for each allocation area under the jurisdiction of the governing body for the next calendar year on the schedule prescribed by the department of local government finance.

(b) The tax increment replacement amount is the greater of zero (0) or the net amount by which:

(1) laws enacted by the general assembly; and

(2) actions taken by the department of local government finance;

after the establishment of the allocation area have decreased the tax increment revenues of the allocation area for the next calendar year (after adjusting for any increases resulting from laws or actions of the department of local government finance) below the sum of the amount needed to make all payments that are due in the next calendar year on obligations payable from tax increment revenues and to maintain any tax increment revenue to obligation payment ratio required by an agreement on which any of the obligations are based.
As added by P.L.192-2002(ss), SEC.44. Amended by P.L.256-2003, SEC.25; P.L.146-2008, SEC.238.

IC 6-1.1-21.2-12
Governing body action to raise tax increment replacement amount; review and action by legislative body; procedure; funding of certain amount by metropolitan development commission from personal property taxes

Sec. 12. (a) This section applies if the tax increment replacement amount for an allocation area in a district is greater than zero (0).

(b) A governing body may, after a public hearing, do the following:

(1) Impose a special assessment on the owners of property that is located in an allocation area to raise an amount not to exceed the tax increment replacement amount.

(2) Impose a tax on all taxable property in the district in which the governing body exercises jurisdiction to raise an amount not to exceed the tax increment replacement amount.

(3) Reduce the base assessed value of property in the allocation area to an amount that is sufficient to increase the tax increment revenues in the allocation area by an amount that does not exceed the tax increment replacement amount.

(c) The governing body shall submit a proposed special assessment or tax levy under this section to the legislative body of the unit that established the district. The legislative body may:

(1) reduce the amount of the special assessment or tax to be levied under this section;

(2) determine that no special assessment or property tax should be levied under this section; or

(3) increase the special assessment or tax to the amount

necessary to fully fund the tax increment replacement amount.

(d) Before a public hearing under subsection (b) may be held, the governing body must publish notice of the hearing under IC 5-3-1. The notice must also be sent to the fiscal officer of each political subdivision that is located in any part of the district. The notice must state that the governing body will meet to consider whether a special assessment or tax should be imposed under this chapter and whether the special assessment or tax will help the governing body realize the redevelopment or economic development objectives for the allocation area or honor its obligations related to the allocation area. The notice must also specify a date when the governing body will receive and hear remonstrances and objections from persons affected by the special assessment. All persons affected by the hearing, including all taxpayers within the allocation area, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, and orders of the governing body by the notice. At the hearing, which may be adjourned from time to time, the governing body shall hear all persons affected by the proceedings and shall consider all written remonstrances and objections that have been filed. The only grounds for remonstrance or objection are that the special assessment or tax will not help the governing body realize the redevelopment or economic development objectives for the allocation area or honor its obligations related to the allocation area. After considering the evidence presented, the governing body shall take final action concerning the proposed special assessment or tax. The final action taken by the governing body shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by subsection (e).

(e) A person who filed a written remonstrance with a governing body under subsection (d) and is aggrieved by the final action taken may, within ten (10) days after that final action, file in the office of the clerk of the circuit or superior court a copy of the order of the governing body and the person's remonstrance or objection against that final action, together with a bond conditioned to pay the costs of appeal if the appeal is determined against the person. The only ground of remonstrance or objection that the court may hear is whether the proposed special assessment or tax will help achieve the redevelopment of economic development objectives for the allocation area or honor its obligations related to the allocation area. An appeal under this subsection shall be promptly heard by the court without a jury. All remonstrances or objections upon which an appeal has been taken must be consolidated, heard, and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the remonstrances or objections and may confirm the final action of the governing body or sustain the remonstrances or objections. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

(f) This section applies to a governing body that:

(1) is the metropolitan development commission for a county having a consolidated city; and

(2) has established an allocation area and pledged tax increment revenues from the area to the payment of bonds, leases, or other obligations before May 8, 1989.

Notwithstanding subsections (a) through (e), the governing body may determine to fund that part of the tax increment replacement amount attributable to the repeal of IC 36-7-15.1-26.5, IC 36-7-15.1-26.7, and IC 36-7-15.1-26.9 from property taxes on personal property (as defined in IC 6-1.1-1-11). If the governing body makes such a determination, the property taxes on personal property in the amount determined under this subsection shall be allocated to the redevelopment district, paid into the special fund for the allocation area, and used for the purposes specified in IC 36-7-15.1-26.

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.146-2008, SEC.239; P.L.182-2009(ss), SEC.154.

IC 6-1.1-21.2-13
Repealed

(Repealed by P.L.146-2008, SEC.803.)

IC 6-1.1-21.2-14
Repealed

(Repealed by P.L.146-2008, SEC.803.)

IC 6-1.1-21.2-15
Special assessment and tax collections deposited in special fund; inapplicability of certain provisions to special assessments and taxes; exception from levy limits

Sec. 15. (a) As the special assessment or tax imposed under this chapter is collected by the county treasurer, it shall be transferred to the governing body and accumulated and kept in the special fund for the allocation area.

(b) A special assessment or tax levied under this chapter is not subject to IC 6-1.1-20.

(c) A special assessment or tax levied under this chapter and the use of revenues from a special assessment or tax levied under this chapter by a governing body do not create a constitutional or statutory debt, pledge, or obligation of the governing body, the district, or any county, city, town, or township.

(d) The ad valorem property tax levy limits imposed by IC 6-1.1-18.5-3 or another provision of IC 6-1.1-18.5 do not apply to a special assessment or tax imposed under this chapter. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under IC 6-1.1-18.5-3 or another provision of IC 6-1.1-18.5, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include a special assessment or tax imposed under this chapter.

As added by P.L.192-2002(ss), SEC.44. Amended by P.L.224-2007, SEC.40; P.L.146-2008, SEC.240; P.L.182-2009(ss), SEC.155.

IC 6-1.1-21.2-16

Adjustment for tax benefit

Sec. 16. (a) This section applies if the tax increment replacement amount for an allocation area in a district is less than zero (0).

(b) The governing body of a district shall increase the base assessed value of property in the allocation area to an amount sufficient so that the tax increment replacement amount is equal to zero (0).

As added by P.L.146-2008, SEC.241.

IC 6-1.1-21.3

Chapter 21.3. Rainy Day Fund Loans for Taxing Units Affected by Transmission Manufacturer Bankruptcy

IC 6-1.1-21.3-1

"Board", "qualified taxing unit", and "qualifying taxpayer"

Sec. 1. (a) As used in this chapter, "board" refers to the state board of finance.

(b) As used in this chapter, "qualified taxing unit" means a taxing unit:

(1) in which a qualifying taxpayer has tangible property subject to taxation; and

(2) that has experienced or is expected to experience a significant revenue shortfall as a result of a default or an expected default described in subsection (c)(3).

(c) As used in this chapter, "qualifying taxpayer" means a taxpayer that:

(1) casts and manufactures motor vehicle transmissions as part of its business;

(2) has filed a petition to reorganize under the federal bankruptcy code; and

(3) has defaulted, or has notified the county fiscal body of the county in which the taxpayer is subject to property taxes that the taxpayer will default, on all or part of one (1) or more of its property tax payments with respect to taxes first due and payable in 2009 or 2010, or both.

As added by P.L.182-2009(ss), SEC.156.

IC 6-1.1-21.3-2

Qualifying taxing unit may apply to board for loan

Sec. 2. A qualified taxing unit may apply to the board for one (1) or more loans from the counter-cyclical revenue and economic stabilization fund.

As added by P.L.182-2009(ss), SEC.156.

IC 6-1.1-21.3-3

Determination of terms of loan by board; loan conditions; disbursement of installments by board; loan repayment; obligation to repay not basis for excessive tax levy; deposit by board of loan payments received

Sec. 3. (a) The board, after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

(1) The loan must be repaid not later than ten (10) years after the date on which the loan is made.

(2) The terms of the loan must allow for prepayment of the loan without penalty.

(3) The maximum amount of the loan that a qualified taxing unit may receive with respect to a default described in section 1(c)(3) of this chapter on one (1) or more payments of property

taxes first due and payable in a calendar year is the amount, as determined by the board, of revenue shortfall for the qualified taxing unit that results from the default for that calendar year.

(b) The board may disburse in installments the proceeds of a loan made under this chapter.

(c) A qualified taxing unit may repay a loan made under this chapter from any of the following:

(1) Property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5.

(2) Property tax revenues of the qualified taxing unit that are not subject to levy limitations as provided in IC 6-1.1-18.5-21.

(3) The qualified taxing unit's debt service fund.

(4) Any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment on a loan made under this chapter constitutes a first charge against the property tax revenues described in subdivision (1) or (2) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

(d) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 20-44-3.

(e) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

As added by P.L.182-2009(ss), SEC.156.

IC 6-1.1-21.3-4

Certain amounts not considered for determination of levy excess; use of delinquent tax and effect on remaining loan balance; use of loan proceeds

Sec. 4. (a) As used in this section, "delinquent tax" means any tax not paid during the calendar year in which the tax was first due and payable.

(b) Except as provided in subsection (c), the following are not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-3:

(1) The proceeds of a loan received by the qualified taxing unit under this chapter.

(2) The receipt by a qualified taxing unit of any payment of delinquent tax owed by a qualifying taxpayer.

(c) Delinquent tax owed by a qualifying taxpayer received by a qualified taxing unit:

(1) must first be used toward the retirement of an outstanding loan made under this chapter; and

(2) is considered, only to the extent that the amount received exceeds the amount of the outstanding loan, to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular

calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-3.

(d) If a qualifying taxpayer pays delinquent tax during the term of repayment of an outstanding loan made under this chapter, the remaining loan balance is repayable in equal installments over the remainder of the original term of repayment.

(e) Proceeds of a loan made under this chapter may be expended by a qualified taxing unit only to pay obligations of the qualified taxing unit that have been incurred under appropriations for operating expenses made by the qualified taxing unit and approved by the department of local government finance.

As added by P.L.182-2009(ss), SEC.156.

IC 6-1.1-21.3-5

Loan not bonded indebtedness

Sec. 5. A loan under this chapter is not bonded indebtedness for purposes of IC 6-1.1-18.5.

As added by P.L.182-2009(ss), SEC.156.

IC 6-1.1-21.4

Chapter 21.4. Rainy Day Fund Loans for Eligible School Corporations

IC 6-1.1-21.4-0.5

"ADM"

Sec. 0.5. As used in this chapter, "ADM" refers to a school corporation's average daily membership as determined under IC 20-43-4-2.

As added by P.L.145-2012, SEC.15.

IC 6-1.1-21.4-1

"Board"

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

As added by P.L.131-2008, SEC.5.

IC 6-1.1-21.4-2

"Eligible school corporation"

Sec. 2. As used in this chapter, "eligible school corporation" refers to any of the following:

(1) A school corporation located in a county in which distributions of property tax revenue for 2007 or 2008 to the taxing units (as defined in IC 6-1.1-1-21) of the county:

(A) have not been made; or

(B) were delayed by more than sixty (60) days after either due date specified in IC 6-1.1-22-9.

(2) A school corporation that is:

(A) designated by the distressed unit appeal board as a distressed political subdivision under IC 6-1.1-20.3; or

(B) approved for a loan by the distressed unit appeal board under IC 6-1.1-20.3-8.3.

(3) A school corporation that had a loan from the counter-cyclical revenue and economic stabilization fund denied in October 2013. However, the school corporation is not an eligible school corporation if in 2014 the voters approve a referendum tax levy for the school corporation under IC 20-46-1.

As added by P.L.131-2008, SEC.5. Amended by P.L.145-2012, SEC.16; P.L.166-2014, SEC.5.

IC 6-1.1-21.4-3

Eligible school corporation; maximum loan; loan terms

Sec. 3. (a) An eligible school corporation may apply to the board for a loan from the counter-cyclical revenue and economic stabilization fund.

(b) Subject to subsections (c) and (d) and section 3.5 of this chapter, an eligible school corporation described in section 2(2) of this chapter may apply to the board for a loan. The maximum amount of a loan that the board may approve for the eligible school

corporation is the lesser of the following:

(1) Five million dollars ($5,000,000).

(2) The product of:

(A) one thousand dollars ($1,000); multiplied by

(B) the school corporation's 2012 ADM.

(c) At the time the distressed unit appeal board designates a school corporation as a distressed political subdivision under IC 6-1.1-20.3 or recommends under IC 6-1.1-20.3-8.3 that a loan from the fund be approved for a school corporation, the distressed unit appeal board may also recommend to the state board of finance that a loan from the fund to the school corporation be contingent upon any of the following:

(1) The sale of specified unused property by the school board.

(2) The school corporation modifying one (1) or more specified contracts entered into by the school corporation.

(d) In making a loan from the fund to a school corporation, the state board of finance may make the loan contingent upon any condition recommended by the distressed unit appeal board under subsection (c).

(e) This subsection applies only to an eligible school corporation described in section 2(3) of this chapter. The board shall make the loan to the eligible school corporation. The following apply to a loan made under this subsection:

(1) The maximum amount of a loan set forth in subsection (b).

(2) Sections 3.5 through 7 of this chapter.

In addition, an eligible school corporation receiving a loan under this subsection shall sell any unimproved land owned by the eligible school corporation that on April 1, 2014, is not contiguous to the grounds of any school.

As added by P.L.131-2008, SEC.5. Amended by P.L.145-2012, SEC.17; P.L.166-2014, SEC.6.

IC 6-1.1-21.4-3.5

Termination of authority to make loans

Sec. 3.5. The board may not approve a loan under this chapter after December 31, 2017.

As added by P.L.145-2012, SEC.18.

IC 6-1.1-21.4-4

Board determination of loan amount; disbursement of funds; loan repayment; no excessive levy; deposit of payments received

Sec. 4. (a) The board, after review by the budget committee, shall determine the terms of any loan made under this chapter. The interest rate on the loan is the interest rate established by the commissioner of the department of state revenue under IC 6-8.1-10-1 minus two percent (2%), but in no case shall the interest rate be less than one percent (1%).

(b) The total amount of loans under this chapter may not exceed the following:

(1) Six million dollars ($6,000,000) for all calendar years

ending before January 1, 2012.

(2) The sum of the amounts approved under section 3(b) of this chapter for all calendar years beginning after December 31, 2011, plus the outstanding balance of all loans that were made under this chapter before 2012.

(c) An eligible school corporation receiving a loan under this chapter must repay the loan within seventy-two (72) months after the date on which the loan is made.

(d) The board may disburse in installments the proceeds of a loan made under this chapter.

(e) An eligible school corporation may repay a loan made under this chapter from any sources of revenue.

(f) The obligation to repay a loan made under this chapter is not a basis for an eligible school corporation to obtain an excessive tax levy under IC 6-1.1-19.

(g) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

As added by P.L.131-2008, SEC.5. Amended by P.L.145-2012, SEC.19.

IC 6-1.1-21.4-5

Effects on levy excess funds

Sec. 5. The proceeds of a loan received by an eligible school corporation under this chapter are not considered to be part of the ad valorem property tax levy actually collected by the eligible school corporation for taxes first due and payable during a particular calendar year for the purpose of calculating levy excess.

As added by P.L.131-2008, SEC.5.

IC 6-1.1-21.4-6

Loan is not bonded indebtedness

Sec. 6. A loan under this chapter is not bonded indebtedness for purposes of IC 6-1.1-18.5 or IC 6-1.1-20.

As added by P.L.131-2008, SEC.5. Amended by P.L.145-2012, SEC.20.

IC 6-1.1-21.4-7

Failure to repay loan

Sec. 7. Upon the failure of a school corporation to repay any of the school corporation's obligations under this chapter during a calendar year when due, the treasurer of state, upon being notified of the failure by the board, shall pay the unpaid obligations that are due from money in the possession of the state that would otherwise be available for distribution to the school corporation under any other law, deducting the payment from the amount distributed. However, the treasurer of state may not impair the rights of the school corporation's bondholders.

As added by P.L.145-2012, SEC.21.

IC 6-1.1-21.5

Chapter 21.5. Loans to Qualified Taxing Units

IC 6-1.1-21.5-1

"Qualified taxing unit"

Sec. 1. As used in this chapter, "qualified taxing unit" means each of the following:

(1) A city having a population of more than twenty-nine thousand six hundred (29,600) but less than twenty-nine thousand nine hundred (29,900).

(2) The sanitary district of a city described in subdivision (1).

(3) The library district of a city described in subdivision (1).

(4) The school corporation located in a city described in subdivision (1).

As added by P.L.380-1987(ss), SEC.5. Amended by P.L.12-1992, SEC.23; P.L.170-2002, SEC.21; P.L.119-2012, SEC.35.

IC 6-1.1-21.5-2

"Board"

Sec. 2. As used in this chapter, "board" refers to the state board of finance.

As added by P.L.380-1987(ss), SEC.5.

IC 6-1.1-21.5-3

Loan application; prerequisites to grant of loan

Sec. 3. Before January 1, 2002, a qualified taxing unit may apply to the board for a loan from the counter-cyclical revenue and economic stabilization fund. The board may make a loan from the fund to the taxing unit if:

(1) a taxpayer with tangible property subject to taxation by the qualified taxing unit has filed a petition to reorganize under the federal bankruptcy code;

(2) the taxpayer has defaulted on one (1) of its property tax payments;

(3) the qualified taxing unit has experienced and will continue to experience a significant revenue shortfall as a result of the default; and

(4) the taxpayer is a steel manufacturer that owns at least eighteen percent (18%) of the assessed value within the taxing unit.

As added by P.L.380-1987(ss), SEC.5. Amended by P.L.291-2001, SEC.207.

IC 6-1.1-21.5-4

Maximum amount of loan

Sec. 4. The maximum amount that the board may loan to a qualified taxing unit under this chapter is set forth in the following table:

TYPE OF TAXING UNIT	MAXIMUM LOAN

City.	$	5,500,000
Sanitary District.	$	1,900,000
Library District.	$	800,000
School Corporation.	$	8,000,000

As added by P.L.380-1987(ss), SEC.5. Amended by P.L.291-2001, SEC.208.

IC 6-1.1-21.5-5
Terms of loan; interest; repayment; depository

Sec. 5. (a) The board shall determine the terms of a loan made under this chapter. However, interest may not be charged on the loan, and the loan must be repaid not later than ten (10) years after the date on which the loan was made.

(b) The loan shall be repaid only from property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5. The payment of any installment of principal constitutes a first charge against such property tax revenues as collected by the qualified taxing unit during the calendar year the installment is due and payable.

(c) The obligation to repay the loan is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5.

(d) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

(e) This section may not be construed to prevent the qualified taxing unit from repaying a loan made under this chapter before the date specified in subsection (a) if a taxpayer described in section 3 of this chapter resumes paying property taxes to the qualified taxing unit.

As added by P.L.380-1987(ss), SEC.5. Amended by P.L.291-2001, SEC.209; P.L.2-2006, SEC.59; P.L.146-2008, SEC.242.

IC 6-1.1-21.5-6
Loan proceeds and delinquent tax payments; levy excess

Sec. 6. (a) The receipt by the qualified taxing unit of the loan proceeds is not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-3. The receipt by the qualified taxing unit of any payment of delinquent tax owed by a taxpayer in bankruptcy is considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-3.

(b) The loan proceeds and any payment of delinquent tax may be expended by the qualified taxing unit only to pay debts of the qualified taxing unit that have been incurred pursuant to duly adopted appropriations approved by the department of local government finance for operating expenses.

(c) In the event the sum of the receipts of the qualified taxing unit that are attributable to:

(1) the loan proceeds; and

(2) the payment of property taxes owed by a taxpayer in a bankruptcy proceeding initially filed in 2000 and payable in 2001;

exceeds sixteen million dollars ($16,000,000), the excess as received during any calendar year or years shall be set aside and treated for the calendar year when received as a levy excess subject to IC 6-1.1-18.5-17 or IC 20-44-3. In calculating the payment of property taxes as provided in subdivision (2), the amount of property tax credit finally allowed under IC 6-1.1-21-5 (before its repeal) in respect to such taxes is considered a payment of such property taxes.

(d) As used in this section, "delinquent tax" means any tax owed by a taxpayer in a bankruptcy proceeding initially filed in 2000 and that is not paid during the calendar year for which it was first due and payable.

As added by P.L.380-1987(ss), SEC.5. Amended by P.L.291-2001, SEC.210; P.L.90-2002, SEC.202; P.L.2-2006, SEC.60; P.L.146-2008, SEC.243.

IC 6-1.1-21.6
Repealed

(Repealed by P.L.42-2011, SEC.87.)

IC 6-1.1-21.7
Repealed

(Repealed by P.L.146-2008, SEC.810.)

IC 6-1.1-21.8

Chapter 21.8. Rainy Day Fund Loans to Qualified Taxing Units

IC 6-1.1-21.8-1

"Board" defined

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

As added by P.L.157-2002, SEC.1.

IC 6-1.1-21.8-2

"Qualified taxing unit"

Sec. 2. As used in this chapter, "qualified taxing unit" means a taxing unit located in a county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000).

As added by P.L.157-2002, SEC.1. Amended by P.L.119-2012, SEC.36.

IC 6-1.1-21.8-3

Loan application; prerequisites to grant of loan

Sec. 3. A qualified taxing unit may apply to the board for one (1) or more loans from the counter-cyclical revenue and economic stabilization fund. The board may make a loan from the fund to the qualified taxing unit if:

(1) a taxpayer with tangible property subject to taxation by the qualified taxing unit has filed a petition to reorganize under the federal bankruptcy code;

(2) the taxpayer has defaulted on one (1) or more of its property tax payments;

(3) the qualified taxing unit has experienced and will continue to experience a significant revenue shortfall as a result of the default; and

(4) the taxpayer is a steel manufacturer.

As added by P.L.157-2002, SEC.1.

IC 6-1.1-21.8-4

Loan terms; repayment schedule

Sec. 4. (a) The board shall determine the terms of a loan made under this chapter. However, the interest charged on the loan may not exceed the percent of increase in the United States Department of Labor Consumer Price Index for Urban Wage Earners and Clerical Workers during the most recent twelve (12) month period for which data is available as of the date that the unit applies for a loan under this chapter. In the case of a qualified taxing unit that is not a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than ten (10) years after the date on which the loan was made. In the case of a qualified taxing unit that is a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than eleven (11) years after the date on

which the loan was made. A school corporation or a public library (as defined in IC 36-12-1-5) is not required to begin making payments to repay a loan until after June 30, 2004. The total amount of all the loans made under this chapter may not exceed twenty-eight million dollars ($28,000,000). The board may disburse the proceeds of a loan in installments. However, not more than one-third (1/3) of the total amount to be loaned under this chapter may be disbursed at any particular time without the review of the budget committee and the approval of the budget agency.

(b) A loan made under this chapter shall be repaid only from:

(1) property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5;

(2) in the case of a school corporation, the school corporation's debt service fund; or

(3) any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment of principal constitutes a first charge against the property tax revenues described in subdivision (1) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

(c) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5.

(d) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

(e) This section does not prohibit a qualified taxing unit from repaying a loan made under this chapter before the date specified in subsection (a) if a taxpayer described in section 3 of this chapter resumes paying property taxes to the qualified taxing unit.

(f) Interest accrues on a loan made under this chapter until the date the board receives notice from the county auditor that the county has adopted at least one (1) of the following:

(1) The county adjusted gross income tax under IC 6-3.5-1.1.

(2) The county option income tax under IC 6-3.5-6.

(3) The county economic development income tax under IC 6-3.5-7.

Notwithstanding subsection (a), interest may not be charged on a loan made under this chapter if a tax described in this subsection is adopted before a qualified taxing unit applies for the loan.

As added by P.L.157-2002, SEC.1. Amended by P.L.267-2003, SEC.2; P.L.1-2005, SEC.93; P.L.228-2005, SEC.23 and P.L.246-2005, SEC.66; P.L.2-2006, SEC.62; P.L.146-2008, SEC.244.

IC 6-1.1-21.8-5

Maximum loan amount for a particular qualified taxing unit

Sec. 5. The maximum amount that the board may loan to a qualified taxing unit is determined under STEP FOUR of the following formula:

STEP ONE: Determine the amount of the taxpayer's property taxes due and payable in November 2001 that are attributable to the qualified taxing unit as determined by the department of local government finance.

STEP TWO: Multiply the STEP ONE amount by one and thirty-one thousandths (1.031).

STEP THREE: Multiply the STEP TWO product by two (2).

STEP FOUR: Add the STEP ONE amount to the STEP THREE product.

However, in the case of a qualified taxing unit that is a school corporation, the amount determined under STEP FOUR shall be reduced by the board to the extent that the school corporation receives relief in the form of adjustments to the school corporation's net assessed valuation under IC 6-1.1-17-0.5 or assessed valuation under IC 6-1.1-19-5.3.

As added by P.L.157-2002, SEC.1. Amended by P.L.2-2006, SEC.63; P.L.146-2008, SEC.245; P.L.137-2012, SEC.38.

IC 6-1.1-21.8-6

"Delinquent tax"; loan proceeds and delinquent tax payments; calculation of levy excess; expenditure of loan receipts

Sec. 6. (a) As used in this section, "delinquent tax" means any tax:

(1) owed by a taxpayer in a bankruptcy proceeding initially filed in 2001; and

(2) not paid during the calendar year in which it was first due and payable.

(b) Except as provided in subsection (d), the proceeds of a loan received by the qualified taxing unit under this chapter are not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-3. The receipt by a qualified taxing unit of any payment of delinquent tax owed by a taxpayer in bankruptcy is considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-3.

(c) The proceeds of a loan made under this chapter must first be used to retire any outstanding loans made by the department of commerce (including any loans made by the department of commerce that are transferred to the Indiana economic development corporation) to cover a qualified taxing unit's revenue shortfall resulting from the taxpayer's default on property tax payments. Any remaining proceeds of a loan made under this chapter and any payment of delinquent taxes by the taxpayer may be expended by the qualified taxing unit only to pay obligations of the qualified taxing unit that have been incurred under appropriations for operating expenses made by the qualified taxing unit and approved by the department of local government finance.

(d) If the sum of the receipts of a qualified taxing unit that are attributable to:

(1) the loan proceeds; and

(2) the payment of property taxes owed by a taxpayer in a bankruptcy proceeding and payable in November 2001, May 2002, or November 2002;

exceeds the sum of the taxpayer's property tax liability attributable to the qualified taxing unit for property taxes payable in November 2001, May 2002, and November 2002, the excess as received during any calendar year or years shall be set aside and treated for the calendar year when received as a levy excess subject to IC 6-1.1-18.5-17 or IC 20-44-3. In calculating the payment of property taxes as referred to in subdivision (2), the amount of property tax credit finally allowed under IC 6-1.1-21-5 (before its repeal) in respect to those taxes is considered to be a payment of those property taxes.

As added by P.L.157-2002, SEC.1. Amended by P.L.4-2005, SEC.42; P.L.2-2006, SEC.64; P.L.146-2008, SEC.246.

IC 6-1.1-21.9

Chapter 21.9. Rainy Day Fund Loans for Qualified Taxing Units

IC 6-1.1-21.9-1

Definitions

Sec. 1. (a) As used in this chapter, "board" refers to the state board of finance.

(b) As used in this chapter, "qualified taxing unit" means a taxing unit:

(1) in which a qualifying taxpayer has tangible property subject to taxation; and

(2) that has experienced or is expected to experience a significant revenue shortfall as a result of a default or an expected default described in subsection (c)(3).

(c) As used in this chapter, "qualifying taxpayer" means a taxpayer that:

(1) manufactures microelectronics as part of its business;

(2) has filed a petition to reorganize under the federal bankruptcy code; and

(3) has defaulted, or has notified the county fiscal body of the county in which the taxpayer is subject to property taxes that the taxpayer will default, on all or part of one (1) or more of its property tax payments.

As added by P.L.114-2006, SEC.3.

IC 6-1.1-21.9-2

Qualified taxing unit

Sec. 2. A qualified taxing unit may apply to the board for one (1) or more loans from the counter-cyclical revenue and economic stabilization fund.

As added by P.L.114-2006, SEC.3.

IC 6-1.1-21.9-3

Board determines terms of loan and disburses installments; loan repayment; no excessive levy; deposit of payments received

Sec. 3. (a) The board, not later than December 31, 2009, and after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

(1) The board may not charge interest on the loan.

(2) The loan must be repaid not later than ten (10) years after the date on which the loan was made.

(3) The terms of the loan must allow for prepayment of the loan without penalty.

(4) The maximum amount of the loan that a qualifying taxing unit may receive with respect to a default described in section 1(c)(3) of this chapter on one (1) or more payments of property taxes first due and payable in a calendar year is the amount, as determined by the board, of revenue shortfall for the qualifying taxing unit that results from the default for that calendar year.

(5) The total amount of all loans under this chapter for all calendar years may not exceed thirteen million dollars ($13,000,000).

(b) The board may disburse in installments the proceeds of a loan made under this chapter.

(c) A qualified taxing unit may repay a loan made under this chapter from any of the following:

(1) Property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5 or (before January 1, 2009) IC 6-1.1-19.

(2) Property tax revenues of the qualified taxing unit that are not subject to levy limitations as provided in IC 6-1.1-18.5-21 or (before January 1, 2009) IC 6-1.1-19-13.

(3) The qualified taxing unit's debt service fund.

(4) Any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit.

The payment of any installment on a loan made under this chapter constitutes a first charge against the property tax revenues described in subdivision (1) or (2) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

(d) The obligation to repay a loan made under this chapter is not a basis for the qualified taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or (before January 1, 2009) IC 6-1.1-19.

(e) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

As added by P.L.114-2006, SEC.3. Amended by P.L.131-2008, SEC.6; P.L.146-2008, SEC.247; P.L.1-2009, SEC.45.

IC 6-1.1-21.9-4

Effects on levy excess funds; effects of receipt of delinquent taxes

Sec. 4. (a) As used in this section, "delinquent tax" means any tax not paid during the calendar year in which the tax was first due and payable.

(b) Except as provided in subsection (c), the following are not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-2.

(1) The proceeds of a loan received by the qualified taxing unit under this chapter.

(2) The receipt by a qualified taxing unit of any payment of delinquent tax owed by a qualified taxpayer.

(c) Delinquent tax owed by a qualified taxpayer received by a qualified taxing unit:

(1) must first be used toward the retirement of an outstanding loan made under this chapter; and

(2) is considered, only to the extent that the amount received exceeds the amount of the outstanding loan, to be part of the ad valorem property tax levy actually collected by the qualified

taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 20-44-2.

(d) If a qualified taxpayer pays delinquent tax during the term of repayment of an outstanding loan made under this chapter, the remaining loan balance is repayable in equal installments over the remainder of the original term of repayment.

(e) Proceeds of a loan made under this chapter may be expended by a qualified taxing unit only to pay obligations of the qualified taxing unit that have been incurred under appropriations for operating expenses made by the qualified taxing unit and approved by the department of local government finance.

As added by P.L.114-2006, SEC.3. Amended by P.L.146-2008, SEC.248.

IC 6-1.1-21.9-5

Loan is not bonded indebtedness

Sec. 5. A loan under this chapter is not bonded indebtedness for purposes of IC 6-1.1-18.5.

As added by P.L.114-2006, SEC.3.

IC 6-1.1-22

Chapter 22. General Procedures for Property Tax Collection

IC 6-1.1-22-1

"Personal property" defined

Sec. 1. Except as otherwise provided by law, it is sufficient for purposes of assessment and taxation to describe personal property on all records and notices by using the words "personal property" to include all types of personal property assessed to a person under this article.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-22-2

Description of real property; sufficiency

Sec. 2. (a) Real property is sufficiently described for the purpose of listing, assessing, and collecting the taxes on it when it is described by:

(1) reference to the name of the subdivision and lot number, if the tract of land has been platted into lots or subdivided and a plat of the tract has been recorded in the office of the county recorder; or

(2) use of an abbreviated description which indicates its key number, if any, and the quarter section in which the land lies and the number of acres it contains if the land is unplatted.

(b) Real property is sufficiently described for the purpose of conveying title to it when it is sold for the nonpayment of taxes if it is described by:

(1) reference to the name of the subdivision and lot number if the tract of land has been platted into lots or subdivided and a plat of the tract has been recorded in the office of the county recorder;

(2) reference to its key number, if any, and the description, including the number of acres, contained in a deed, mortgage, will, or other public record of the county; or

(3) reference to a description prepared by the county surveyor under subsection (c) of this section.

(c) Whenever a sufficient description is not available for real property which is to be sold for nonpayment of taxes, the county surveyor, at the request of the county auditor, shall survey and plat the land and prepare a correct description of it. The county surveyor shall file a certified copy of the plat and the description with the county recorder, who shall record the instrument in the deed record. The county recorder shall not charge a fee for this service.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.60-1988, SEC.1.

IC 6-1.1-22-3

Tax duplicate; contents; maintenance; delivery

Sec. 3. (a) Except as provided in subsection (b), the auditor of each county shall, before March 15 of each year, prepare a roll of

property taxes payable in that year for the county. This roll shall be known as the "tax duplicate" and shall show:

(1) the value of all the assessed property of the county;

(2) the person liable for the taxes on the assessed property; and

(3) any other information that the state board of accounts, with the advice and approval of the department of local government finance, may prescribe.

(b) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) before the county auditor completes preparation of the tax duplicate under subsection (a), the county auditor shall complete preparation of the tax duplicate when the appeal is resolved by the department of local government finance.

(c) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) after the county auditor completes preparation of the tax duplicate under subsection (a), the county auditor shall prepare a revised tax duplicate when the appeal is resolved by the department of local government finance that reflects the action of the department.

(d) The county auditor shall comply with the instructions issued by the state board of accounts for the preparation, preservation, alteration, and maintenance of the tax duplicate. The county auditor shall deliver a copy of the tax duplicate prepared under subsection (a) to the county treasurer when preparation of the tax duplicate is completed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.45-1990, SEC.2; P.L.49-1996, SEC.6; P.L.90-2002, SEC.210; P.L.67-2006, SEC.5; P.L.146-2008, SEC.249; P.L.42-2011, SEC.10.

IC 6-1.1-22-4

Notice of tax rate

Sec. 4. (a) Immediately upon the receipt of the tax duplicate, the county treasurer shall give notice of the rate of tax per one hundred dollars ($100) of assessed valuation to be collected in the county for each purpose and the total of the rates in each taxing district. This notice shall be published in the form prescribed by the department of local government finance three (3) times with each publication one (1) week apart.

(b) The notice required by this section shall be printed in two (2) newspapers which represent different political parties and which are published in the county. However, if two (2) newspapers which represent different political parties are not published in the county, the notice shall be printed in one (1) newspaper.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.211; P.L.42-2011, SEC.11.

IC 6-1.1-22-5

Preparation and delivery to auditor of state of abstract by county auditor; information to be included in abstract; form of abstract; abstract as public record; effect of shortfall appeal on preparation and delivery

Sec. 5. (a) Except as provided in subsections (b) and (c), on or before March 15 of each year, the county auditor shall prepare and deliver to the auditor of state and the county treasurer a certified copy of an abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in that year in each taxing district of the county. The county auditor shall prepare the abstract in such a manner that the information concerning property tax deductions reflects the total amount of each type of deduction. The abstract shall also contain a statement of the taxes and penalties unpaid in each taxing unit at the time of the last settlement between the county auditor and county treasurer and the status of these delinquencies. The county auditor shall prepare the abstract on the form prescribed by the state board of accounts. The auditor of state, county auditor, and county treasurer shall each keep a copy of the abstract as a public record.

(b) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) before the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver the certified copy of the abstract when the appeal is resolved by the department of local government finance.

(c) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) after the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver a certified copy of a revised abstract when the appeal is resolved by the department of local government finance that reflects the action of the department.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.67, SEC.3; P.L.45-1990, SEC.3; P.L.49-1996, SEC.7; P.L.67-2006, SEC.6; P.L.146-2008, SEC.250; P.L.182-2009(ss), SEC.157.

IC 6-1.1-22-6

Register of taxes and special assessments

Sec. 6. The county treasurer shall keep a register of taxes and special assessments in the manner and on the form prescribed by the state board of accounts. He shall enter each payment of the taxes and special assessments in the register on the day the payment is received.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-22-6.5

Refusal of third party to pay upon proper presentment

Sec. 6.5. Notwithstanding IC 26-1-3.1-310, if a payment subject to this article is made by:

(1) check;
(2) bank draft;
(3) money order;
(4) bank card or credit card; or
(5) any other draft or financial instrument that is payable by a third party;

and the third party refuses to pay the amount of the payment to the county treasurer after proper presentment, the county treasurer shall adjust the county treasurer's records to remove any credit made for the payment. If the financial instrument is subsequently honored, the county treasurer shall record the payment as being made on the date the financial instrument is honored. However, the county treasurer may deduct any costs described in section 12.1 of this chapter before crediting the payment.
As added by P.L.56-1996, SEC.1.

IC 6-1.1-22-7
Daily cash book

Sec. 7. The county treasurer shall keep a daily cash book on the form prescribed by the state board of accounts. He shall enter all funds received by him in the cash book on the day the funds are received. The county treasurer shall also record in the cash book all the deposits, withdrawals, and other entries required to be made in order to correctly reflect the financial condition of the funds for which the county treasurer is responsible.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-22-8
Repealed

(Repealed by P.L.3-2008, SEC.269.)

IC 6-1.1-22-8.1
Property taxes, assessments, and payments; time of issuance; electronic options

Sec. 8.1. (a) The county treasurer shall:

(1) except as provided in subsection (h), mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection (b). However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection (b). If a county chooses to use a different tax statement, the county must still transmit (with the tax bill) the statement in either color type or black-and-white type.

(b) The department of local government finance shall prescribe a form, subject to the approval of the state board of accounts, for the statement under subsection (a) that includes at least the following:

(1) A statement of the taxpayer's current and delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.
(3) An itemized listing for each property tax levy, including:
(A) the amount of the tax rate;
(B) the entity levying the tax owed; and
(C) the dollar amount of the tax owed.
(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.
(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.
(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:
(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and
(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.
(7) An explanation of the following:
(A) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law that are available in the taxing district where the property is located.
(B) All property tax deductions that are available in the taxing district where the property is located.
(C) The procedure and deadline for filing for any available homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and each deduction.
(D) The procedure that a taxpayer must follow to:
(i) appeal a current assessment; or
(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.
(E) The forms that must be filed for an appeal or a petition described in clause (D).
(F) The procedure and deadline that a taxpayer must follow and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction.
(G) Notice that an appeal described in clause (D) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.
The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.
(8) A checklist that shows:

(A) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and all property tax deductions; and

(B) whether each homestead credit and property tax deduction applies in the current statement for the property transmitted under subsection (a).

(9) This subdivision applies to any property for which a deduction or credit is listed under subdivision (8) if the notice required under this subdivision was not provided to a taxpayer on a reconciling statement under IC 6-1.1-22.5-12. The statement must include in 2010, 2011, and 2012 a notice that must be returned by the taxpayer to the county auditor with the taxpayer's verification of the items required by this subdivision. The notice must explain the tax consequences and applicable penalties if a taxpayer unlawfully claims a standard deduction under IC 6-1.1-12-37 on:

(A) more than one (1) parcel of property; or

(B) property that is not the taxpayer's principal place of residence or is otherwise not eligible for the standard deduction.

The notice must include a place for the taxpayer to indicate, under penalties of perjury, for each deduction and credit listed under subdivision (8), whether the property is eligible for the deduction or credit listed under subdivision (8). The notice must also include a place for each individual who qualifies the property for a deduction or credit listed in subdivision (8) to indicate the name of the individual and the name of the individual's spouse (if any), as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number (or that they use as their legal names when they sign their names on legal documents), and either the last five (5) digits of each individual's Social Security number or, if an individual does not have a Social Security number, the numbers required from the individual under IC 6-1.1-12-37(e)(4)(B). The notice must explain that the taxpayer must complete and return the notice with the required information and that failure to complete and return the notice may result in disqualification of property for deductions and credits listed in subdivision (8), must explain how to return the notice, and must be on a separate form printed on paper that is a different color than the tax statement. The notice must be prepared in the form prescribed by the department of local government finance and include any additional information required by the department of local government finance. This subdivision expires January 1, 2015.

(c) The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) business days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the

date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment. If a statement is returned to the county treasurer as undeliverable and the forwarding order is expired, the county treasurer shall notify the county auditor of this fact. Upon receipt of the county treasurer's notice, the county auditor may, at the county auditor's discretion, treat the property as not being eligible for any deductions under IC 6-1.1-12 or any homestead credits under IC 6-1.1-20.4 and IC 6-3.5-6-13.

(d) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(e) The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection (b).

(f) The information to be included in the statement under subsection (b) must be simply and clearly presented and understandable to the average individual.

(g) After December 31, 2007, a reference in a law or rule to IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated as a reference to this section.

(h) Transmission of statements and other information under this subsection applies in a county only if the county legislative body adopts an authorizing ordinance. Subject to subsection (i), in a county in which an ordinance is adopted under this subsection for property taxes and special assessments first due and payable after 2009, a person may, in any manner permitted by subsection (n), direct the county treasurer and county auditor to transmit the following to the person by electronic mail:

(1) A statement that would otherwise be sent by the county treasurer to the person by regular mail under subsection (a)(1), including a statement that reflects installment payment due dates under section 9.5 or 9.7 of this chapter.

(2) A provisional tax statement that would otherwise be sent by the county treasurer to the person by regular mail under IC 6-1.1-22.5-6.

(3) A reconciling tax statement that would otherwise be sent by the county treasurer to the person by regular mail under any of the following:

(A) Section 9 of this chapter.

(B) Section 9.7 of this chapter.

(C) IC 6-1.1-22.5-12, including a statement that reflects installment payment due dates under IC 6-1.1-22.5-18.5.

(4) Any other information that:

(A) concerns the property taxes or special assessments; and

(B) would otherwise be sent:

(i) by the county treasurer or the county auditor to the person by regular mail; and

(ii) before the last date the property taxes or special assessments may be paid without becoming delinquent.

The information listed in this subsection may be transmitted to a person by using electronic mail that provides a secure Internet link to the information.

(i) For property with respect to which more than one (1) person is liable for property taxes and special assessments, subsection (h) applies only if all the persons liable for property taxes and special assessments designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(j) Before 2010, the department of local government finance shall create a form to be used to implement subsection (h). The county treasurer and county auditor shall:

(1) make the form created under this subsection available to the public;

(2) transmit a statement or other information by electronic mail under subsection (h) to a person who, at least thirty (30) days before the anticipated general mailing date of the statement or other information, files the form created under this subsection:

(A) with the county treasurer; or

(B) with the county auditor; and

(3) publicize the availability of the electronic mail option under this subsection through appropriate media in a manner reasonably designed to reach members of the public.

(k) The form referred to in subsection (j) must:

(1) explain that a form filed as described in subsection (j)(2) remains in effect until the person files a replacement form to:

(A) change the person's electronic mail address; or

(B) terminate the electronic mail option under subsection (h); and

(2) allow a person to do at least the following with respect to the electronic mail option under subsection (h):

(A) Exercise the option.

(B) Change the person's electronic mail address.

(C) Terminate the option.

(D) For a person other than an individual, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(E) For property with respect to which more than one (1) person is liable for property taxes and special assessments, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(l) The form created under subsection (j) is considered filed with the county treasurer or the county auditor on the postmark date or on

the date it is electronically submitted. If the postmark is missing or illegible, the postmark is considered to be one (1) day before the date of receipt of the form by the county treasurer or the county auditor.

(m) The county treasurer shall maintain a record that shows at least the following:

(1) Each person to whom a statement or other information is transmitted by electronic mail under this section.

(2) The information included in the statement.

(3) Whether the county treasurer received a notice that the person's electronic mail was undeliverable.

(n) A person may direct the county treasurer and county auditor to transmit information by electronic mail under subsection (h) on a form prescribed by the department submitted:

(1) in person;

(2) by mail; or

(3) in an online format developed by the county and approved by the department.

As added by P.L.162-2006, SEC.16. Amended by P.L.3-2008, SEC.53; P.L.146-2008, SEC.251; P.L.1-2009, SEC.46; P.L.136-2009, SEC.7; P.L.87-2009, SEC.7; P.L.1-2010, SEC.31; P.L.120-2012, SEC.1; P.L.134-2014, SEC.1.

IC 6-1.1-22-8.2

Donations of taxpayers in county with consolidated city; ordinance

Sec. 8.2. (a) This section applies to a county containing a consolidated city.

(b) The legislative body of a county may adopt an ordinance:

(1) allowing a taxpayer to include a donation of money to the county with a payment under section 9 of this chapter;

(2) establishing a separate fund to receive donations under this section; and

(3) establishing a board of at least five (5) members to determine permissible expenditures by the county from the fund established under subdivision (2).

(c) If an ordinance is adopted under subsection (b), the treasurer of the adopting county shall transfer donations received under this section to the fund established under subsection (b)(2). Money in the fund at the end of a fiscal year does not revert to the county's general fund.

As added by P.L.54-1990, SEC.1.

IC 6-1.1-22-8.3

Donation procedure notice

Sec. 8.3. If an ordinance is adopted under section 8.2 of this chapter, the treasurer of the adopting county shall include with each statement mailed under section 8.1 of this chapter a notice describing:

(1) the manner in which a taxpayer may donate money to the county under section 8.2 of this chapter; and

(2) the permissible expenditures of money donated under section 8.2 of this chapter.

As added by P.L.54-1990, SEC.2. Amended by P.L.3-2008, SEC.54.

IC 6-1.1-22-8.5
Deductions; contents of tax statements; notice of ineligibility

Sec. 8.5. The county treasurer shall include on every statement mailed under section 8.1 of this chapter the following language: "If any circumstances have changed that would make you ineligible for a deduction that you have been allowed in the exemption block on this tax bill, you must notify the county auditor. If such a change in circumstances has occurred and you have not notified the county auditor, the deduction will be disallowed and you will be liable for taxes and penalties on the amount deducted.".

As added by Acts 1982, P.L.44, SEC.8. Amended by P.L.3-2008, SEC.55.

IC 6-1.1-22-9
Tax installment due dates; exceptions; delinquent penalty

Sec. 9. (a) Except as provided in subsection (b), the property taxes assessed for a year under this article are due in two (2) equal installments on May 10 and November 10 of the following year.

(b) Subsection (a) does not apply if any of the following apply to the property taxes assessed for the year under this article:

(1) Subsection (c).
(2) Subsection (d).
(3) IC 6-1.1-7-7.
(4) Section 9.5 of this chapter.
(5) Section 9.7 of this chapter.
(6) Section 9.9 of this chapter.

(c) A county council may adopt an ordinance to require a person to pay the person's property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars ($25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under section 8.1 of this chapter shows that the person's property tax liability for a year is less than twenty-five dollars ($25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year.

(d) If the county treasurer receives a copy of an appeal petition under IC 6-1.1-18.5-12(d) before the county treasurer mails or transmits statements under section 8.1 of this chapter, the county treasurer may:

(1) mail or transmit the statements without regard to the pendency of the appeal and, if the resolution of the appeal by the department of local government finance results in changes in levies, mail or transmit reconciling statements under subsection (e); or
(2) delay the mailing or transmission of statements under section 8.1 of this chapter so that:
(A) the due date of the first installment that would otherwise be due under subsection (a) is delayed by not more than sixty

(60) days; and

(B) all statements reflect any changes in levies that result from the resolution of the appeal by the department of local government finance.

(e) A reconciling statement under subsection (d)(1) must indicate:

(1) the total amount due for the year;

(2) the total amount of the installments paid that did not reflect the resolution of the appeal under IC 6-1.1-18.5-12(d) by the department of local government finance;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount that is payable by the taxpayer:

(A) as a final reconciliation of all amounts due for the year; and

(B) not later than:

(i) November 10; or

(ii) the date or dates established under section 9.5 of this chapter; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(f) If property taxes are not paid on or before the due date, the penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent taxes.

(g) Notwithstanding any other law, a property tax liability of less than five dollars ($5) is increased to five dollars ($5). The difference between the actual liability and the five dollar ($5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability.

(h) This subsection applies only if a statement for payment of property taxes and special assessments by electronic mail is transmitted to a person under section 8.1(h) of this chapter. If a response to the transmission of electronic mail to a person indicates that the electronic mail was not received, the county treasurer shall mail to the person a hard copy of the statement in the manner required by section 8.1(a) of this chapter for persons who do not opt to receive statements by electronic mail. The due date for the property taxes and special assessments under a statement mailed to a person under this subsection is the due date indicated in the statement transmitted to the person by electronic mail.

(i) In a county in which an authorizing ordinance is adopted under section 8.1(h) of this chapter, a person may direct the county treasurer to transmit a reconciling statement under subsection (d)(1) by electronic mail under section 8.1(h) of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.57-1986, SEC.3; P.L.61-1991, SEC.1; P.L.1-2004, SEC.35 and P.L.23-2004, SEC.38; P.L.67-2006, SEC.7; P.L.1-2007, SEC.47; P.L.219-2007, SEC.64; P.L.3-2008, SEC.56; P.L.146-2008, SEC.252; P.L.87-2009, SEC.8; P.L.218-2013, SEC.12.

IC 6-1.1-22-9.5

Alternative schedule of installment payments

Sec. 9.5. (a) This section applies only to property taxes first due and payable in a year that begins after December 31, 2003:

(1) with respect to a homestead (as defined in IC 6-1.1-12-37); and

(2) that are not payable in one (1) installment under section 9(c) of this chapter.

(b) At any time before the mailing or transmission of tax statements for a year under section 8.1 of this chapter, a county may petition the department of local government finance to establish a schedule of installments for the payment of property taxes with respect to:

(1) real property that are based on the assessment of the property in the immediately preceding year; or

(2) a mobile home or manufactured home that is not assessed as real property that are based on the assessment of the property in the current year.

The county fiscal body (as defined in IC 36-1-2-6) must approve a petition under this subsection.

(c) The department of local government finance:

(1) may not establish a date for:

(A) an installment payment that is earlier than May 10 of the year in which the tax statement is mailed or transmitted;

(B) the first installment payment that is later than November 10 of the year in which the tax statement is mailed or transmitted; or

(C) the last installment payment that is later than May 10 of the year immediately following the year in which the tax statement is mailed or transmitted; and

(2) shall:

(A) prescribe the form of the petition under subsection (b);

(B) determine the information required on the form; and

(C) notify the county fiscal body, the county auditor, and the county treasurer of the department's determination on the petition not later than twenty (20) days after receiving the petition.

(d) Revenue from property taxes paid under this section in the year immediately following the year in which the tax statement is mailed or transmitted under section 8.1 of this chapter:

(1) is not considered in the determination of a levy excess under IC 6-1.1-18.5-17 or IC 20-44-3 for the year in which the property taxes are paid; and

(2) may be:

(A) used to repay temporary loans entered into by a political subdivision for; and

(B) expended for any other reason by a political subdivision in the year the revenue is received under an appropriation from;

the year in which the tax statement is mailed or transmitted

under section 8.1 of this chapter.

As added by P.L.1-2004, SEC.36 and P.L.23-2004, SEC.39. Amended by P.L.67-2006, SEC.8; P.L.2-2006, SEC.65; P.L.1-2007, SEC.48; P.L.3-2008, SEC.57; P.L.146-2008, SEC.253.

IC 6-1.1-22-9.7

Property taxes; monthly payments; partial payments

Sec. 9.7. (a) As used in this section, "current year" refers to the calendar year in which property taxes are first due and payable and are subject to payment during the payment period under this section.

(b) As used in this section, "monthly payment plan" means a plan that:

(1) is adopted under this section; and

(2) provides for the monthly payment of tax liability either by:

(A) an automatic monthly deduction during the payment period from an account of the taxpayer that is held by a financial institution; or

(B) the taxpayer making payments on a monthly basis during the payment period either by written instrument or electronically;

or both.

(c) As used in this section, "payment period" means the months designated under this section during which monthly payments may be made. The period may not exceed twelve (12) months and may not begin before December 1 of the preceding year or end after November 30 of the current year.

(d) As used in this section, "preceding year" refers to the calendar year that immediately precedes the current year.

(e) As used in this section, "tax liability" includes liability for special assessments and refers to liability for property taxes after the application of all allowed deductions and credits.

(f) The county fiscal body (as defined in IC 36-1-2-6) may at any time adopt an ordinance to allow all county taxpayers to pay one (1) or more installments of property taxes by making payments under a monthly payment plan during a designated payment period. If a county fiscal body does not adopt an ordinance under this section, the county treasurer shall develop and implement a plan to accept partial payments of property taxes. The county treasurer shall notify taxpayers on the property tax bill or envelope used to mail property taxes that the county has adopted a plan to accept partial payments.

(g) An ordinance adopted under subsection (f):

(1) may apply to more than one (1) calendar year; and

(2) must include at least the following:

(A) Identification of the property tax installment or installments and designation of the months of the payment period for which payment under a monthly payment plan is authorized.

(B) Provisions for notice to county taxpayers of the option to pay one (1) or more property tax installments under a monthly payment plan.

(C) Authority for the county treasurer to make available to county taxpayers a form to be completed by a taxpayer and submitted to the county treasurer to:

(i) direct the county treasurer to accept payment of the taxpayer's property taxes by automatic monthly deduction during the payment period from an account of the taxpayer that is held by a financial institution; and

(ii) authorize the financial institution that holds the taxpayer's account to deduct monthly during the designated payment period the appropriate amount from the account and to pay that amount to the county treasurer.

However, this clause applies only if the county fiscal body has adopted an ordinance under this section to allow taxpayers to pay property taxes by automatic monthly deductions during the designated payment period from an account of the taxpayer that is held by a financial institution.

(D) Authority for the county treasurer to accept payment of the taxpayer's property taxes on a monthly basis during the designated payment period either by written instrument or electronically. However, this clause applies only if the county fiscal body has adopted an ordinance under this section to allow taxpayers to pay property taxes on a monthly basis during the designated payment period either by written instrument or electronically.

An ordinance adopted under subsection (f) may include a provision authorizing taxpayers to make monthly payments in an amount determined by the taxpayer that is different from the amount otherwise determined by the county treasurer under subsection (i), (j), (k), or (l).

(h) If an ordinance is adopted under subsection (f) to allow taxpayers to pay property taxes by automatic monthly deductions during the designated payment period from an account of the taxpayer that is held by a financial institution, the county treasurer shall provide to each county taxpayer that submits to the county treasurer the form referred to in subsection (g)(2)(C) a statement that includes at least the following:

(1) The amount to be deducted monthly from the taxpayer's account.

(2) The designated payment period and identification of the day each month, as chosen by the taxpayer, when the deduction will be made.

(3) A calculation of the amount to be deducted.

(4) An explanation of the manner in which property taxes for the current year will be reconciled under subsection (o) and notice that any property tax payments for the current year made by the taxpayer by means other than automatic deduction from the taxpayer's account will be taken into account in the reconciliation.

(5) An explanation of the penalties that apply if there are insufficient funds in the taxpayer's account to cover one (1) or

more automatic deductions.

(i) This subsection applies only if the county treasurer determines that at the time the calculation under subsection (h)(3) is made the amount of tax liability for the current year has not been determined. Subject to subsections (j) and (k), the county treasurer shall do the following:

(1) Determine the following:

(A) For a parcel of real property, the most recently determined amount of tax liability that applied to the parcel for the preceding year.

(B) For a personal property return, the most recently determined amount of tax liability that applied for the personal property return for the same location for the preceding year.

(C) For distributable property, the most recently determined amount of tax liability that applied with respect to the statement filed by the taxpayer under IC 6-1.1-8-19 for the preceding year.

(D) For a mobile home subject to IC 6-1.1-7, the most recently determined amount of tax liability that applied to the mobile home for the preceding year.

(2) Determine the amount of the monthly payment due under a monthly payment plan by using the following STEPS:

STEP ONE: Determine under subdivision (1) the amount of tax liability that applied for the preceding year.

STEP TWO: Determine the quotient of:

(i) the number of property tax installments for the current year identified in the ordinance under subsection (g)(2)(A); divided by

(ii) the total number of property tax installments for the current year.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

STEP FOUR: Determine the quotient of:

(i) the STEP THREE result; divided by

(ii) the number of months in the designated payment period.

(j) The county treasurer may determine the monthly payment due under a monthly payment plan in an amount different from the amount determined under subsection (i) if the county treasurer determines that changes in circumstances have caused the amount determined under subsection (i) to differ substantially from the tax liability likely to be determined for the current year.

(k) This subsection applies only if before an ordinance is adopted under subsection (f) the county treasurer determines to use provisional property tax statements under IC 6-1.1-22.5 for the current year. For purposes of determining the amount of the taxpayer's monthly payment under a monthly payment plan, the county treasurer shall substitute for the tax liability that applied to the parcel for the preceding year under subsection (i) the tax liability to

be indicated on the provisional statement.

(l) This subsection applies only if the county treasurer determines that at the time the calculation under subsection (h)(3) is made the amount of tax liability for the current year has been determined. The amount of the taxpayer's monthly payment under a monthly payment plan is the amount of the tax liability for the current year payable in the installment or installments identified in the ordinance under subsection (g)(2)(A) divided by the number of months in the designated payment period.

(m) Tax liability paid under this section by automatic deduction from an account of the taxpayer that is held by a financial institution is not finally discharged and the person has not paid the tax until the taxpayer's account is charged for the payment.

(n) Penalties apply under IC 6-1.1-37-10 as specified in this section to taxes payable under a monthly payment plan under this section.

(o) After the last monthly payment under a monthly payment plan under this section for the current year has been made and after the amount of tax liability for the current year has been determined, the county treasurer shall issue a reconciling statement to the taxpayer. Each reconciling statement must indicate at least the following:

(1) The sum of:

(A) the taxpayer's actual tax liability for the current year; plus

(B) any penalty that applies for the current year.

(2) The total amount paid for the current year under a monthly payment plan, and by means other than under a monthly payment plan.

(3) If the amount under subdivision (1) exceeds the amount under subdivision (2), the deficiency is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than thirty (30) days after the date of the reconciling statement.

(4) If the amount under subdivision (2) exceeds the amount under subdivision (1), that the county treasurer will apply the excess as a credit against the taxpayer's tax liability for the immediately succeeding calendar year unless the taxpayer makes a claim for refund of the excess under IC 6-1.1-26.

(p) The county treasurer shall deposit the tax collections under this section under IC 5-13-6-3(a). The collections must remain in the funds in which they are deposited until the county auditor makes the distributions to the appropriate taxing units at the semiannual settlements under IC 6-1.1-27. However, this subsection does not prohibit a county treasurer from making an advance to a political subdivision under IC 5-13-6-3 of a portion of the taxes collected.

(q) IC 6-1.1-15:

(1) does not apply to a statement provided under subsection (h); and

(2) applies to a reconciling statement issued under subsection (o).

(r) The following apply to a taxpayer that makes monthly payments under this section:

(1) If a taxpayer has approval to use a monthly payment plan and makes timely monthly payments of property taxes in the amount determined by the county treasurer under subsection (i), (j), (k), or (l), the taxpayer's property tax payments shall not be considered delinquent for purposes of IC 6-1.1-37-10 and the taxpayer is not subject to penalties under that section.

(2) If:

(A) a taxpayer makes monthly payments of property taxes in an amount that is less than the amount determined by the county treasurer under subsection (i), (j), (k), or (l); and

(B) the total amount of property taxes paid by the taxpayer under the monthly payment plan or any other method by the November approved monthly due date is less than the amount determined by the county treasurer under subsection (i), (j), (k), or (l) that should have been paid by the taxpayer by the November approved monthly due date;

the penalty provisions of IC 6-1.1-37-10 apply to the delinquent property taxes.

(s) IC 6-1.1-37-10 applies to any amounts due under a reconciling statement issued under subsection (o) that are not paid within thirty (30) days after the date of the reconciling statement, as required under subsection (o)(3).

(t) For purposes of IC 6-1.1-24-1(a)(1):

(1) property taxes to be paid under a monthly payment plan under this section before June of the current year are considered to be the taxpayer's spring installment of property taxes; and

(2) payment on a reconciling statement issued under subsection (o) is considered to be due before the due date of the first installment of property taxes payable in the year immediately following the current year.

As added by P.L.118-2008, SEC.1. Amended by P.L.87-2009, SEC.9; P.L.120-2012, SEC.2; P.L.48-2013, SEC.2.

IC 6-1.1-22-9.9

Property tax payment due dates; delayed assessment change

Sec. 9.9. If:

(1) the owner of the real property makes changes to the real property described in IC 6-1.1-5-15(a);

(2) the owner of the real property complies with IC 6-1.1-5-15(a) or IC 6-1.1-5-15(b), as applicable; and

(3) the assessing officials responsible for assessing the real property subsequently fail to make a correct assessment of the real property in one (1) or more years by failing to take the changes described in subdivision (1) into account;

when the assessing officials responsible for assessing the real property make a correct assessment of the real property after taking the changes described in subdivision (1) into account, the owner may pay the amount due for the property taxes attributable to these

changes in the assessment over the same number of years that match the number of years that the assessing officials took to make the correct assessment.
As added by P.L.218-2013, SEC.13.

IC 6-1.1-22-10
Liability for taxes; actions to collect

Sec. 10. (a) A person who is liable for property taxes under IC 6-1.1-2-4 is personally liable for the taxes and all penalties, cost, and collection expenses, including reasonable attorney's fees and court costs, resulting from late payment of the taxes.

(b) A person's liability under this section may be enforced by any legal remedy, including a civil lawsuit instituted by a county treasurer or a county executive to collect delinquent taxes. One (1) action may be initiated to collect all taxes, penalties, cost, and collection expenses levied against a person in the same county for one (1) or more years. However, an action may not be initiated to enforce the collection of taxes after ten (10) years from the first Monday in May of the year in which the taxes first became due. An action initiated within the ten (10) year period may be prosecuted to termination.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.68-1993, SEC.1.

IC 6-1.1-22-11
Lienholders; payment of delinquent taxes; penalties and costs

Sec. 11. A holder of a lien of record on any real property on which taxes are delinquent may pay the delinquent taxes, penalties, and cost. The amount so paid is an additional lien on the real property in favor of the lienholder and is collectible, with interest at ten percent (10%) per annum from the time of payment, in the same manner as the original lien.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.169-2006, SEC.11.

IC 6-1.1-22-12
Receipt for payment of tax or special assessment

Sec. 12. (a) When a property owner pays the taxes or special assessments levied against any property, and a receipt is provided by the county treasurer, the receipt shall be on a form prescribed or approved by the state board of accounts. The receipt shall contain:

(1) the name of the person liable for the amount paid;
(2) the amount paid;
(3) the year for which the payment is made; and
(4) a description of the property which corresponds to the description used on the tax duplicate.

(b) If the county treasurer does not provide a receipt, the treasurer shall maintain records containing the date and amount paid per parcel or property description as used on the tax duplicate.

(c) Notwithstanding subsection (b), a taxpayer is entitled to a validated receipt upon request.

(d) When a person other than the property owner pays any property taxes or special assessment levied against the property, the county treasurer shall, if the payor requests, provide a receipt in a form prescribed or approved by the state board of accounts.

(e) If a receipt for the payment of property taxes or a special assessment is lost or destroyed, the entry in the register of taxes and special assessments or the entry on the tax duplicate may be presented as evidence of payment in lieu of the receipt.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.60-1991, SEC.2; P.L.30-1994, SEC.2.

IC 6-1.1-22-12.1

Liability for costs of dishonored payment drafts

Sec. 12.1. If:

(1) a property owner or a person acting on behalf of a property owner tenders a draft to the county treasurer for the payment of the taxes or special assessments levied against any property; and

(2) the draft is dishonored upon presentation for payment;

any costs incurred by the county treasurer because of the dishonoring of the draft are a liability of the taxpayer, which may be entered on the tax duplicate for the property. If entered on the tax duplicate, the amount of the liability is subject to interest, penalty, and collection in the same manner as all other special assessments.

As added by P.L.57-1993, SEC.10.

IC 6-1.1-22-13

State liens; civil suits

Sec. 13. (a) The state acquires a lien on each tract of real property for all property taxes levied against the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), and all subsequent penalties and cost resulting from the taxes. This lien attaches on the assessment date of the year for which the taxes are assessed. The lien is not affected by any sale or transfer of the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), including the sale, exchange, or lease of the tract under IC 36-1-11.

(b) The lien of the state for taxes, penalties, and cost continues for ten (10) years from May 10 of the year in which the taxes first become due. However, if any proceeding is instituted to enforce the lien within the ten (10) year period, the limitation is extended, if necessary, to permit the termination of the proceeding.

(c) The lien of the state inures to taxing units which impose the property taxes on which the lien is based, and the lien is superior to all other liens.

(d) A taxing unit described in subsection (c) may institute a civil suit against a person or an entity liable for delinquent property taxes. The taxing unit may, after obtaining a judgment, collect:

(1) delinquent real property taxes;

(2) penalties due to the delinquency; and

(3) costs and expenses incurred in collecting the delinquent

property tax, including reasonable attorney's fees and court costs approved by a court with jurisdiction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.61, SEC.1; P.L.60-1988, SEC.2; P.L.68-1993, SEC.2; P.L.51-1997, SEC.6.

IC 6-1.1-22-13.5

Political subdivision liens; civil suits

Sec. 13.5. (a) A political subdivision acquires a lien on each tract of real property for:

(1) all special assessments levied against the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b); and

(2) all subsequent penalties and costs resulting from the special assessments.

The lien attaches on the installment due date of the year for which the special assessments are certified for collection. The lien is not affected by any sale or transfer of the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), and including the sale, exchange, or lease of the tract under IC 36-1-11.

(b) The lien of the political subdivision for special assessments, penalties, and costs continues for ten (10) years from May 10 of the year in which special assessments first become due. However, if any proceeding is instituted to enforce the lien within the ten (10) year period, the limitation is extended, if necessary, to permit the termination of the proceeding.

(c) The lien of the state inures to political subdivisions that impose the special assessments on which the lien is based, and the lien is superior to all other liens except the lien of the state for property taxes.

(d) A political subdivision described in subsection (c) may institute a civil suit against a person or an entity liable for delinquent special assessments. The political subdivision may, after obtaining a judgment, collect:

(1) delinquent special assessments;

(2) penalties due to the delinquency; and

(3) costs and expenses incurred in collecting the delinquent special assessments, including reasonable attorney's fees and court costs approved by a court with jurisdiction.

As added by P.L.169-2006, SEC.12.

IC 6-1.1-22-14

Persons to whom political subdivision owes money; certification of governmental employees; search of delinquent tax levies

Sec. 14. (a) On or before June 1 and December 1 of each year (or more frequently if the county legislative body adopts an ordinance requiring additional certifications), the disbursing officer of each political subdivision and the township executive shall certify the name and address of each person who has money due the person from the political subdivision to the treasurer of each county in which the

political subdivision is located.

(b) On or before June 1 and December 1 of each year (or more frequently if the county legislative body adopts an ordinance requiring additional certifications), the disbursing officer for the state, each state educational institution, and every other governmental entity in Indiana that does not provide the information under subsection (a), shall certify the name and address of each person who is employed by the governmental entity to the county treasurer for the county where the employee works. A governmental entity that has an employee who works in more than one (1) county shall certify the information for the employee to the county where the employee has the employee's principal office.

(c) Upon the receipt of the information under subsection (a) or (b), the county treasurer shall search the treasurer's records to ascertain if any person so certified to the treasurer is delinquent in the payment of property taxes.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.60-1988, SEC.3; P.L.30-1994, SEC.3; P.L.2-2007, SEC.116.

IC 6-1.1-22-15

Certification of delinquent taxpayer; setoff against money due

Sec. 15. If the county treasurer finds that a person whose name is certified to him under section 14 of this chapter is delinquent in the payment of his taxes, he shall certify the name of that person and the amount of the delinquency to the official of the political subdivision or other governmental entity who is to make payment to the person. The disbursing officer shall periodically make deductions from money due the person and shall pay the amount of these deductions to the county treasurer.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.30-1994, SEC.4.

IC 6-1.1-22-16

Deduction from state payments to delinquent taxpayers

Sec. 16. (a) On or before June 1 and December 1 of each year, each county treasurer shall provide the auditor of state, the Indiana department of transportation, and the board of trustees of each state institution or school with a list of each person who is delinquent in the payment of property taxes and who the county treasurer believes has money due the person from that state official or body.

(b) The auditor of state, the Indiana department of transportation, and the board of trustees of each state institution or school shall periodically make deductions from money due any person whose name is found on the delinquent tax list and shall pay the amount of these deductions to the appropriate county treasurer.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.74, SEC.16; P.L.18-1990, SEC.19; P.L.47-1990, SEC.4.

IC 6-1.1-22-17

Application of funds toward payment of delinquent taxes

Sec. 17. A county treasurer who receives funds that have been deducted under section 15 or section 16 of this chapter from money due a person shall apply the funds to the delinquent taxes, penalties, and interest owed by that person until those items are paid in full.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-22-18
Use of parcel carrier to send documents

Sec. 18. Notwithstanding any other provision of this chapter, the county treasurer may send via a nationally recognized express parcel carrier any document that the county treasurer may send under this chapter via the United States mail.
As added by P.L.61-2011, SEC.1.

IC 6-1.1-22.5

Chapter 22.5. Provisional Property Tax Statements

IC 6-1.1-22.5-0.1

Application of certain amendments to chapter

Sec. 0.1. The amendments made to section 6 of this chapter by P.L.67-2006 apply only to property taxes first due and payable after December 31, 2005.

As added by P.L.220-2011, SEC.128.

IC 6-1.1-22.5-1

"Commissioner" defined

Sec. 1. As used in this chapter, "commissioner" refers to the commissioner of the department of local government finance.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-2

"Provisional statement" defined

Sec. 2. As used in this chapter, "provisional statement" refers to a provisional property tax statement required by section 6 or 6.5 of this chapter as the context indicates.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.182-2009(ss), SEC.158.

IC 6-1.1-22.5-3

"Property taxes" defined

Sec. 3. As used in this chapter, "property taxes" include special assessments.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-4

"Reconciling statement" defined

Sec. 4. As used in this chapter, "reconciling statement" refers to a reconciling property tax statement required by section 11 of this chapter.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-5

"Tax liability" defined

Sec. 5. As used in this chapter, "tax liability" includes liability for special assessments and refers to liability for property taxes after the application of all allowed deductions and credits.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-6

Use of provisional statement authorized; notice to taxpayers and county fiscal body; transmitting of statement by electronic mail

Sec. 6. (a) This section applies to property taxes payable under this article on assessments determined for the 2003 assessment date or the assessment date in any later year, regardless of whether a

proceeding to determine the necessity of a reassessment is being conducted under IC 6-1.1-4-5, IC 6-1.1-4-9, or another law. The county treasurer shall use a provisional statement under this chapter if the county auditor fails to deliver the abstract for that assessment date to the county treasurer under IC 6-1.1-22-5 before March 16 of the year following the assessment date (for property taxes first due and payable before 2011) or April 1 of the year following the assessment date (for property taxes first due and payable after 2010). The amount to be billed for each installment of the provisional statement is the amount determined under section 9 of this chapter. The billing must be based on the latest assessed values for property certified by the department of local government finance, as adjusted under the procedures specified by the department of local government finance.

(b) The county treasurer shall give notice of the provisional statement, including disclosure of the method that is to be used in determining the tax liability to be indicated on the provisional statement, by publication one (1) time:

(1) in the form prescribed by the department of local government finance; and

(2) in the manner described in IC 6-1.1-22-4(b).

The notice may be combined with the notice required under section 10 of this chapter.

(c) Subsection (a) applies regardless of whether the county auditor fails to deliver the abstract as provided in IC 6-1.1-22-5(b). Section 7 of this chapter does not apply to this section.

(d) This subsection applies after June 30, 2009. Immediately upon determining to use provisional statements under subsection (a), the county treasurer shall give notice of the determination to the county fiscal body (as defined in IC 36-1-2-6).

(e) In a county in which an authorizing ordinance is adopted under IC 6-1.1-22-8.1(h), a person may direct the county treasurer to transmit a provisional statement by electronic mail under IC 6-1.1-22-8.1(h).

(f) The department of local government finance may waive the requirement under subsection (a) that a provisional statement must be used for property taxes first due and payable in a calendar year, if:

(1) the county fiscal body or the county treasurer requests the waiver; and

(2) the department of local government finance determines that:

(A) the county will be able to send a property tax statement under IC 6-1.1-22 with a due date that is not later than June 10 of that calendar year; or

(B) the failure to send a property tax statement under IC 6-1.1-22 in a timely manner is due to a change by the county in computer software, and the county will be able to send a property tax statement under IC 6-1.1-22 with a due date that is not later than June 10 of that calendar year.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.67-2006, SEC.9; P.L.118-2008, SEC.2; P.L.87-2009, SEC.10;

P.L.89-2010, SEC.2; P.L.112-2012, SEC.39.

IC 6-1.1-22.5-6.5
Use of provisional statement for cross-county area

Sec. 6.5. (a) As used in this section, "cross-county area" refers to a cross-county entity's territory that is located in one (1) county.

(b) As used in this section, "cross-county entity" refers to a taxing unit that is located in more than one (1) county.

(c) As used in this section, "statement preparation date" refers to the date determined by the county treasurer before which the county treasurer must receive all necessary information in order to timely prepare and deliver property tax statements under IC 6-1.1-22.

(d) With respect to property taxes first due and payable under this article after 2009, the county treasurer may, except as provided in section 7 of this chapter, use a provisional statement under this section if:

(1) the county treasurer is not required to use provisional statements under section 6 of this chapter; and

(2) the county treasurer determines that:

(A) the property tax rate of a cross-county entity with cross-county area in the county has not been finally determined before the statement preparation date; and

(B) the rate referred to in clause (A) has not been finally determined because the assessed valuation:

(i) in the cross-county area of a neighboring county; and

(ii) on which the property taxes are based;

has not been finally determined.

(e) A provisional statement under this section applies only for the cross-county area in the county. If a provisional statement is used under this section, the county treasurer shall prepare and deliver property tax statements under IC 6-1.1-22 for the territory of the county that is not a cross-county area.

(f) The county treasurer shall give notice of the provisional statement in the manner required by section 6(b) of this chapter.

(g) Immediately upon determining to use provisional statements under this section, the county treasurer shall give notice of the determination to the county fiscal body (as defined in IC 36-1-2-6).
As added by P.L.182-2009(ss), SEC.159.

IC 6-1.1-22.5-7
Waiver by department of local government finance of use of provisional statement; procedure

Sec. 7. (a) The county auditor of a county or fifty (50) property owners in the county may, not more than five (5) days after the publication of the notice required under section 6.5(f) of this chapter, request in writing that the department of local government finance waive the use of a provisional statement under this chapter as to that county for a particular year.

(b) With respect to the use of a provisional statement required under section 6 of this chapter, upon receipt of a request under

subsection (a), the department of local government finance shall give notice of a hearing concerning the request in the manner provided by IC 5-3-1. The notice must state:

(1) the date and time of the hearing;

(2) the location of the hearing, which must be in the county; and

(3) that the purpose of the hearing is to hear:

(A) the request of the county treasurer and county auditor to waive the requirements of section 6 of this chapter; and

(B) taxpayers' comments regarding that request.

(c) After the hearing referred to in subsection (b), the department of local government finance may waive the use of a provisional statement under section 6 of this chapter for a particular year as to the county making the request if the department finds that the petitioners have presented sufficient evidence to establish that although the abstract required by IC 6-1.1-22-5 was not delivered in a timely manner:

(1) the abstract;

(A) was delivered as of the date of the hearing; or

(B) will be delivered not later than a date specified by the county auditor and county treasurer; and

(2) sufficient time remains or will remain after the date or anticipated date of delivery of the abstract to:

(A) permit the timely preparation and delivery of property tax statements in the manner provided by IC 6-1.1-22; and

(B) render the use of a provisional statement under section 6 of this chapter unnecessary.

(d) With respect to a determination to use a provisional statement under section 6.5 of this chapter, upon receipt of a request under subsection (a), the department of local government finance shall give notice of a hearing concerning the request in the manner provided by IC 5-3-1. The notice must state:

(1) the date and time of the hearing;

(2) the location of the hearing, which must be in the county; and

(3) that the purpose of the hearing is to hear:

(A) the request of the county treasurer and county auditor to waive the requirements of section 6.5 of this chapter; and

(B) taxpayers' comments regarding that request.

(e) After the hearing referred to in subsection (d), the department of local government finance may waive the use of a provisional statement under section 6.5 of this chapter for a particular year as to the county making the request if the department finds that the petitioners have presented sufficient evidence to establish that although the property tax rate of one (1) or more cross-county entities with cross-county area in the county was not finally determined before the statement preparation date:

(1) that property tax rate:

(A) was determined as of the date of the hearing; or

(B) will be determined not later than a date specified by the county auditor and county treasurer; and

(2) sufficient time remains or will remain after the date or

anticipated date of determination of the rate to:

(A) permit the timely preparation and delivery of property tax statements in the manner provided by IC 6-1.1-22; and

(B) render the use of a provisional statement under section 6.5 of this chapter unnecessary.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.182-2009(ss), SEC.160; P.L.89-2010, SEC.3.

IC 6-1.1-22.5-8

Form of provisional statement; information to be shown on statement; adjustments to tax liability

Sec. 8. (a) Subject to subsection (c), a provisional statement must:

(1) be on a form prescribed by the department of local government finance;

(2) except as provided in emergency rules adopted under section 20 of this chapter and subsection (b):

(A) for property taxes first due and payable after 2010 and billed using a provisional statement under section 6 of this chapter, indicate:

(i) that the first installment of the taxpayer's tax liability is an amount equal to fifty percent (50%) of the tax liability that was payable in the same year as the assessment date for the property for which the provisional statement is issued, subject to any adjustments to the tax liability authorized by the department of local government finance under subsection (e) and approved by the county treasurer; and

(ii) that the second installment is either the amount specified in a reconciling statement or, if a reconciling statement is not sent until after the second installment is due, an amount equal to fifty percent (50%) of the tax liability that was payable in the same year as the assessment date for the property for which the provisional statement is issued, subject to any adjustments to the tax liability authorized by the department of local government finance under subsection (e) and approved by the county treasurer; and

(B) for property taxes billed using a provisional statement under section 6.5 of this chapter, except as provided in subsection (d), indicate tax liability in an amount determined by the department of local government finance based on:

(i) subject to subsection (c), for the cross-county entity, the property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year; and

(ii) for all other taxing units that make up the taxing district or taxing districts that comprise the cross-county area, the property tax rates of the taxing units for taxes first due and payable in the current calendar year;

(3) indicate:

(A) that the tax liability under the provisional statement is determined as described in subdivision (2); and

(B) that property taxes billed on the provisional statement:

(i) are due and payable in the same manner as property taxes billed on a tax statement under IC 6-1.1-22-8.1; and

(ii) will be credited against a reconciling statement;

(4) for property taxes billed using a provisional statement under section 6 of this chapter, include a statement in the following or a substantially similar form, as determined by the department of local government finance:

"Under Indiana law, _____ County (insert county) has sent provisional statements. The statement is due to be paid in installments on _____ (insert date) and _____ (insert date). The first installment is equal to fifty percent (50%) of your tax liability for taxes payable in _____ (insert year), subject to adjustment to the tax liability authorized by the department of local government finance and approved by the county treasurer. The second installment is either the amount specified in a reconciling statement that will be sent to you, or (if a reconciling statement is not sent until after the second installment is due) an amount equal to fifty percent (50%) of your tax liability for taxes payable in _____ (insert year), subject to adjustment to the tax liability authorized by the department of local government finance and approved by the county treasurer. After the abstract of property is complete, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in _____ (insert year) minus the amount you pay under this provisional statement.";

(5) for property taxes billed using a provisional statement under section 6.5 of this chapter, include a statement in the following or a substantially similar form, as determined by the department of local government finance:

"Under Indiana law, _____ County (insert county) has elected to send provisional statements for the territory of _____ (insert cross-county entity) located in _____ County (insert county) because the property tax rate for _____ (insert cross-county entity) was not available in time to prepare final tax statements. The statement is due to be paid in installments on _____ (insert date) and _____ (insert date). The statement is based on the property tax rate of _____ (insert cross-county entity) for taxes first due and payable in _____ (insert immediately preceding calendar year). After the property tax rate of _____ (insert cross-county entity) is determined, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in _____ (insert year) minus the amount you pay under this provisional statement.";

(6) indicate any adjustment to tax liability under subdivision (2) authorized by the department of local government finance under

subsection (e) and approved by the county treasurer for:
(A) delinquent:
(i) taxes; and
(ii) special assessments;
(B) penalties; and
(C) interest;
(7) in the case of a reconciling statement only, include:
(A) a checklist that shows:
(i) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and all property tax deductions; and
(ii) whether each homestead credit and property tax deduction were applied in the current provisional statement;
(B) an explanation of the procedure and deadline that a taxpayer must follow and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction; and
(C) an explanation of the tax consequences and applicable penalties if a taxpayer unlawfully claims a standard deduction under IC 6-1.1-12-37 on:
(i) more than one (1) parcel of property; or
(ii) property that is not the taxpayer's principal place of residence or is otherwise not eligible for a standard deduction; and
(8) include any other information the county treasurer requires.

(b) The county may apply a standard deduction, supplemental standard deduction, or homestead credit calculated by the county's property system on a provisional bill for a qualified property. If a provisional bill has been used for property tax billings for two (2) consecutive years and a property qualifies for a standard deduction, supplemental standard deduction, or homestead credit for the second year a provisional bill is used, the county shall apply the standard deduction, supplemental standard deduction, or homestead credit calculated by the county's property system on the provisional bill.

(c) For purposes of this section, property taxes that are:
(1) first due and payable in the current calendar year on a provisional statement under section 6 or 6.5 of this chapter; and
(2) based on property taxes first due and payable in the immediately preceding calendar year or on a percentage of those property taxes;

are determined after excluding from the property taxes first due and payable in the immediately preceding calendar year property taxes imposed by one (1) or more taxing units in which the tangible property is located that are attributable to a levy that no longer applies for property taxes first due and payable in the current calendar year.

(d) If there was no property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year for use under subsection (a)(2)(B), the department of local government finance shall provide an estimated tax rate calculated to

approximate the actual tax rate that will apply when the tax rate is finally determined.

(e) The department of local government finance shall:

(1) authorize the types of adjustments to tax liability that a county treasurer may approve under subsection (a)(2)(A) including:

(A) adjustments for any new construction on the property or any damage to the property;

(B) any necessary adjustments for credits, deductions, or local option income taxes;

(C) adjustments to include current year special assessments or exclude special assessments payable in the year of the assessment date but not payable in the current year;

(D) adjustments to include delinquent:

(i) taxes; and

(ii) special assessments;

(E) adjustments to include penalties that are due and owing; and

(F) adjustments to include interest that is due and owing; and

(2) notify county treasurers in writing of the types of adjustments authorized under subdivision (1).

As added by P.L.1-2004, SEC.37; P.L.23-2004, SEC.40. Amended by P.L.219-2007, SEC.65; P.L.87-2009, SEC.11; P.L.182-2009(ss), SEC.161; P.L.89-2010, SEC.4; P.L.172-2011, SEC.44.

IC 6-1.1-22.5-9

Tax due dates; deadline to send statements; amounts due; mailing of statement sent by electronic mail but not received; petition to extend deadline

Sec. 9. (a) Except as provided in subsection (e) and section 12(b) of this chapter, tax liability billed on a provisional statement is due in two (2) equal installments on May 10 and November 10 of the year following the assessment date covered by the provisional statement.

(b) The county treasurer may mail or transmit the provisional statement one (1) time each year at least fifteen (15) days before the date on which the first installment is due under subsection (a) in the manner provided in IC 6-1.1-22-8.1, regardless of whether the notice required under section 6(b) of this chapter has been published.

(c) This subsection applies to a provisional statement issued under section 6 of this chapter. Except when the second installment of a provisional statement is replaced by a final reconciling statement providing for taxes to be due on November 10, the amount of tax liability due for each installment of a provisional statement issued for a year after 2010 is fifty percent (50%) of the tax that was due for the immediately preceding year under IC 6-1.1-22 subject to any adjustments to the tax liability as prescribed by the department of local government finance. If no bill was issued in the prior year, the provisional bill shall be based on the amount that would have been due if a provisional tax statement had been issued for the immediately preceding year. The department of local government finance may

prescribe standards to implement this subsection, including a method of calculating the taxes due when an abstract or other information is not complete.

(d) This subsection applies only if a provisional statement for payment of property taxes, special assessments, and any adjustment included in the provisional statement under section 8(e) of this chapter by electronic mail is transmitted to a person under IC 6-1.1-22-8.1(h). If a response to the transmission of electronic mail to a person indicates that the electronic mail was not received, the county treasurer shall mail to the person a hard copy of the provisional statement in the manner required by this chapter for persons who do not opt to receive statements by electronic mail. The due date for the property taxes, special assessments, and any adjustment included in the provisional statement under section 8(e) of this chapter under a provisional statement mailed to a person under this subsection is the due date indicated in the statement transmitted to the person by electronic mail.

(e) This subsection applies only to property taxes first due and payable in 2011. If a county is more than two (2) years behind in issuing property tax bills, the county treasurer of the county may petition the department in writing to extend the deadline for making the first installment payment on a provisional statement issued under this chapter. Upon receiving a petition under this subsection, the department may extend the payment deadline to a date that is not later than July 1, 2011.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.219-2007, SEC.66; P.L.87-2009, SEC.12; P.L.89-2010, SEC.5; P.L.172-2011, SEC.45.

IC 6-1.1-22.5-10

Notice of tax rates for reconciling statement

Sec. 10. If a provisional statement is used, the county treasurer shall give notice of tax rates required under IC 6-1.1-22-4 for the reconciling statement.

As added by P.L.1-2004, SEC.37; P.L.23-2004, SEC.40. Amended by P.L.2-2005, SEC.18.

IC 6-1.1-22.5-11

Notice and transmission of reconciling statements by county treasurer

Sec. 11. (a) With respect to provisional statements under section 6 of this chapter, as soon as possible after the receipt of the abstract required by IC 6-1.1-22-5, the county treasurer shall:

(1) give the notice required by IC 6-1.1-22-4; and

(2) mail or transmit reconciling statements under section 12 of this chapter.

(b) With respect to provisional statements under section 6.5 of this chapter, as soon as possible after determination of the tax rate of the cross-county entity referred to in section 6.5 of this chapter, the county treasurer shall:

(1) give the notice required by IC 6-1.1-22-4; and
(2) mail or transmit reconciling statements under section 12 of this chapter.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.182-2009(ss), SEC.162.

IC 6-1.1-22.5-12

Form of reconciling statement; information to be included on statement; request by county treasurer to issue reconciling statement adjusting second installment; use of electronic mail

Sec. 12. (a) Except as provided by subsection (c), each reconciling statement must be on a form prescribed by the department of local government finance and must indicate:

(1) the actual property tax liability under this article for the calendar year for which the reconciling statement is issued;
(2) the total amount paid under the provisional statement for the property for which the reconciling statement is issued;
(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), that the excess is payable by the taxpayer:
(A) as a final reconciliation of the tax liability; and
(B) not later than:
(i) thirty (30) days after the date of the reconciling statement;
(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; or
(iii) the date specified in an ordinance adopted under section 18.5 of this chapter; and
(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(b) If, upon receipt of the abstract required by IC 6-1.1-22-5 or upon determination of the tax rate of the cross-county entity referred to in section 6.5 of this chapter, the county treasurer determines that it is possible to complete the:

(1) preparation; and
(2) mailing or transmittal;

of the reconciling statement at least thirty (30) days before the due date of the second installment specified in the provisional statement, the county treasurer may request in writing that the department of local government finance permit the county treasurer to issue a reconciling statement that adjusts the amount of the second installment that was specified in the provisional statement. If the department approves the county treasurer's request, the county treasurer shall prepare and mail or transmit the reconciling statement at least thirty (30) days before the due date of the second installment specified in the provisional statement.

(c) A reconciling statement prepared under subsection (b) must indicate:

(1) the actual property tax liability under this article for the

calendar year for the property for which the reconciling statement is issued;

(2) the total amount of the first installment paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount of the second installment that is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) November 10; or

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(d) In a county in which an authorizing ordinance is adopted under IC 6-1.1-22-8.1(h), a person may direct the county treasurer to transmit a reconciling statement by electronic mail under IC 6-1.1-22-8.1(h).

(e) A reconciling statement may include any adjustment authorized by the department of local government finance under section 8(e) of this chapter and approved by the county treasurer.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.219-2007, SEC.67; P.L.146-2008, SEC.254; P.L.87-2009, SEC.13; P.L.182-2009(ss), SEC.163; P.L.172-2011, SEC.46; P.L.13-2013, SEC.16.

IC 6-1.1-22.5-13

Payments to be made to county treasurer

Sec. 13. Taxpayers shall make all payments under this chapter to the county treasurer. The board of county commissioners may authorize the county treasurer to open temporary offices to receive payments under this chapter in municipalities in the county other than the county seat.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-14

Settlement and distribution of tax collections; separate general fund account for penalties; use of fund

Sec. 14. (a) Subject to subsection (b), not later than fifty-one (51) days after the due date of a provisional or reconciling statement under this chapter, the county auditor shall:

(1) file with the auditor of state a report of settlement; and

(2) distribute tax collections to the appropriate taxing units.

(b) The county treasurer shall:

(1) place in a separate account in the county general fund penalties collected as a result of late payments on statements issued under this chapter for the payment of property taxes;

(2) use the account only to defray the costs of mailing or transmission of statements under this chapter; and

(3) deposit additional funds, if any, remaining in the account after the payment of costs of mailing or transmission of statements under this chapter in the county's property reassessment fund established under IC 6-1.1-4-27.5.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.89-2010, SEC.6.

IC 6-1.1-22.5-15

Interest on undistributed tax collections

Sec. 15. If a county auditor fails to make a distribution of tax collections under section 14 of this chapter, a taxing unit that was to receive a distribution may recover interest on the undistributed tax collections at the same rate and in the same manner that interest may be recovered under IC 6-1.1-27-1(b).

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-16

Applicability of review and appeal procedures to provisional and reconciling statements

Sec. 16. IC 6-1.1-15:

(1) does not apply to a provisional statement; and

(2) applies to a reconciling statement.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-17

Applicability of penalties to provisional and reconciling statements

Sec. 17. IC 6-1.1-37-10 applies to:

(1) a provisional statement; and

(2) a reconciling statement;

in the same manner that IC 6-1.1-37-10 applies to an installment of property taxes.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-18

Treatment of payments to determine delinquencies

Sec. 18. For purposes of IC 6-1.1-24-1(a)(1):

(1) the first installment on a provisional statement is considered to be the taxpayer's spring installment of property taxes;

(2) except as provided in subdivision (3) or section 18.5 of this chapter, payment on a reconciling statement is considered to be due before the due date of the first installment of property taxes payable in the following year; and

(3) payment on a reconciling statement described in section 12(b) of this chapter is considered to be the taxpayer's fall installment of property taxes.

As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.219-2007, SEC.68; P.L.146-2008, SEC.255.

IC 6-1.1-22.5-18.5

Installment payments; tax due on reconciliation statement

Sec. 18.5. (a) A county council may adopt an ordinance to allow a taxpayer to make installment payments under this section of a tax payment due under a reconciling statement issued under this chapter or any other provision.

(b) An ordinance adopted under this section must specify:

(1) the reconciling statement to which the ordinance applies; and

(2) the installment due dates for taxpayers that choose to make installment payments.

(c) An ordinance adopted under this section must give taxpayers in the county the option of:

(1) making a single payment of the tax payment due under the reconciling statement on the date specified in the reconciling statement; or

(2) paying installments of the tax payment due under the reconciling statement over the installment period specified in the ordinance.

(d) If the total amount due on an installment date under this section is not completely paid on or before that installment date, the amount unpaid is considered delinquent and a penalty is added to the unpaid amount. The penalty is equal to an amount determined as follows:

(1) If:

(A) the delinquent amount of real property taxes is completely paid on or before the date thirty (30) days after the installment date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel;

the amount of the penalty is equal to five percent (5%) of the delinquent amount.

(2) If:

(A) the delinquent amount of personal property taxes is completely paid on or before the date thirty (30) days after the installment date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for a personal property tax return for property in the same taxing district;

the amount of the penalty is equal to five percent (5%) of the delinquent amount.

(3) If neither subdivision (1) nor (2) applies, the amount of the penalty is equal to ten percent (10%) of the delinquent amount.

(e) An additional penalty equal to ten percent (10%) of any taxes due on an installment date that remain unpaid shall be added on the day immediately following the date of the final installment payment.

(f) The penalties under this section are imposed on only the principal amount of the delinquent taxes.

(g) Notwithstanding any other provision, an ordinance adopted under this section may apply to the payment of amounts due under any reconciling statements issued by a county.

(h) Approval by the department of local government finance is not required for the adoption of an ordinance under this section.
As added by P.L.146-2008, SEC.256.

IC 6-1.1-22.5-19
Supplementary effect of other provisions

Sec. 19. The other provisions of this article supplement the provisions of this chapter concerning the collection of property taxes.
As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40.

IC 6-1.1-22.5-20
Department of local government finance emergency rules to take into account certain real property assessment changes

Sec. 20. For purposes of a provisional statement under section 6 of this chapter, the department of local government finance may adopt emergency rules under IC 4-22-2-37.1 to do any of the following:

(1) Provide a methodology for a county treasurer to issue provisional statements with respect to real property, taking into account new construction of improvements placed on the real property, damage, and other losses related to the real property:
  (A) after March 1 of the year preceding the assessment date to which the provisional statement applies; and
  (B) before the assessment date to which the provisional statement applies.
(2) Carry out IC 6-1.1-22.6.

The department of local government finance may extend an emergency rule adopted under this section for an unlimited number of extension periods by adopting another emergency rule under IC 4-22-2-37.1.
As added by P.L.1-2004, SEC.37 and P.L.23-2004, SEC.40. Amended by P.L.182-2009(ss), SEC.164; P.L.112-2012, SEC.40; P.L.140-2013, SEC.5.

IC 6-1.1-22.5-21
Use of parcel carrier to send documents

Sec. 21. Notwithstanding any other provision of this chapter, the county treasurer may send via a nationally recognized express parcel carrier any document that the county treasurer may send under this chapter via the United States mail.
As added by P.L.61-2011, SEC.2.

IC 6-1.1-22.6

Chapter 22.6. Resolution of Multi-Year Delay in Issuance of Tax Bills

IC 6-1.1-22.6-1

"Covered county"

Sec. 1. As used in this chapter, "covered county" refers to a county that is subject to this chapter.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-2

"Delayed property taxes"

Sec. 2. As used in this chapter, "delayed property taxes" refers to the following:

(1) Property taxes imposed for a year preceding the year in which the county qualifies as a covered county, if the covered county issued a reconciliation statement for the year in which the county qualifies as a covered county.

(2) Property taxes for which a covered county is behind in issuing property tax bills on February 1 in the year that the county qualifies as a covered county.

(3) Property taxes imposed for an assessment date that occurs before the county ceases to be a covered county under section 15 of this chapter.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-3

"Eligible taxing unit"

Sec. 3. As used in this chapter, "eligible taxing unit" refers to the following:

(1) A city.

(2) A town.

(3) A school corporation.

(4) A library district.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-4

"Executive"

Sec. 4. As used in this chapter, "executive" has the meaning set forth in IC 36-1-2-5.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-5

"Department"

Sec. 5. As used in this chapter, "department" refers to the department of local government finance.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-6

"Property tax bill"

Sec. 6. As used in this chapter, "property tax bill" refers to:
(1) a property tax statement required by IC 6-1.1-22-8.1; or
(2) a reconciling statement;
that conforms to law.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-7
"Property taxes"
Sec. 7. As used in this chapter, "property taxes" has the meaning set forth in IC 6-1.1-22.5-3.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-8
"Provisional statement"
Sec. 8. As used in this chapter, "provisional statement" has the meaning set forth in IC 6-1.1-22.5-2.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-9
"Reconciling statement"
Sec. 9. As used in this chapter, "reconciling statement" has the meaning set forth in IC 6-1.1-22.5-4.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-10
"Settlement date"
Sec. 10. As used in this chapter, "settlement date" refers to a settlement date specified in IC 6-1.1-27-1.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-11
"Special master"
Sec. 11. As used in this chapter, "special master" refers to an individual or entity employed under this chapter to carry out substantially all of the duties of the county auditor, county treasurer, or county assessor, or any combination of these offices, necessary to issue property tax bills in each year that the county is a covered county, including the year in which the county ceases to be a covered county.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-12
"Tax anticipation warrant or obligation"
Sec. 12. As used in this chapter, "tax anticipation warrant or obligation" refers to a loan or other evidence of indebtedness issued by a taxing unit in anticipation of the collection of delayed property taxes due to the taxing unit, including evidences of indebtedness with a term of more than one (1) year and debt refunding loans or other evidences of indebtedness issued by a taxing unit in anticipation of the collection of delayed property taxes due to the taxing unit.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-13
Counties subject to chapter

Sec. 13. A county becomes subject to this chapter if, in a year after December 31, 2011, the county is at least three (3) years behind in issuing property tax bills on February 1 of that year.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-14
General assembly findings; LaPorte County

Sec. 14. The general assembly finds that LaPorte County qualified as a county subject to this chapter on February 1, 2012.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-15
Counties ceasing to be subject to chapter

Sec. 15. Subject to section 16 of this chapter, a county ceases to be subject to this chapter in the year after the county:

(1) ceases to be behind in issuing property tax bills for all previous years; and

(2) issues a property tax bill for property taxes due that would ordinarily be due in the current year before April 26 of the current year.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-16
Termination of covered county status

Sec. 16. The termination of a county's status as a covered county does not relieve the county from making the payments required under section 18 of this chapter.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-17
Payments of property taxes and special assessments by debit card, bank card, credit card, or electronic transfer; transaction charges

Sec. 17. (a) The county treasurer of a covered county shall accept payment of property taxes and special assessments made by debit card, bank card, credit card, or electronic transfer.

(b) The county treasurer of a covered county, or another appropriate official of the covered county, shall contract with a debit card, bank card, credit card, or electronic transfer vendor for acceptance of debit cards, bank cards, credit cards, or electronic transfers for the receipt of tax collections for delayed property taxes. However, if there is a vendor transaction charge, discount fee, or other charge, whether billed to the covered county or charged directly to an account of the covered county, the covered county or the card or electronic payment service vendor may collect a fee from any person using the bank or credit card. The fee is a permitted additional charge under IC 24-4.5-3-202.

(c) This section shall not be construed as limiting the authority of a county to accept payment by debit card, bank card, credit card, or electronic transfer.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-18
Set aside of funds by a covered county; distribution of funds; Indiana bond bank

Sec. 18. (a) Subject to subsection (b), a covered county shall set aside in a separate fund on the schedule specified by the department from the funds specified by the department, one million dollars ($1,000,000) for each consecutive year that the county experienced delayed property taxes described in section 2(1) or 2(2) of this chapter before the year in which the county qualifies as a covered county. The Indiana bond bank shall establish the schedule on which the covered county must set aside money under this section.

(b) The amount that must be set aside under subsection (a) for a particular year that the county experienced delayed property taxes is reduced:

(1) to zero (0), if all reconciliation statements for the delayed property taxes covered by subsection (a) and not previously billed are mailed or otherwise transmitted to taxpayers before January 31 of the year immediately following the year that the county becomes a covered county; and

(2) by seventy-five percent (75%), if all reconciliation statements for delayed property taxes covered by subsection (a) and not previously billed are mailed or otherwise transmitted to taxpayers before March 1 of the year immediately following the year that the county becomes a covered county.

(c) The amount set aside under this section for a particular year in which eligible taxing units experienced delayed property taxes shall be used to compensate eligible taxing units for:

(1) interest and other costs incurred by an eligible taxing unit for issuing anticipation warrants or other obligations to fund the eligible taxing unit's operating and capital requirements during a period in which the eligible taxing unit experienced delayed property tax collections; and

(2) interest, at the adjusted rate for the period determined under IC 6-8.1-10-1, on the amount of the delayed property taxes not received by the eligible taxing unit, if the eligible taxing unit self-funded its operating and capital requirements during a period in which the eligible taxing unit experienced delayed property tax collections rather than issue anticipation warrants or other obligations.

(d) The Indiana bond bank or a person or entity designated by the Indiana bond bank shall establish a procedure for determining the amount that is to be distributed to each eligible taxing unit under this section. The procedure must include at least one (1) public hearing in the covered county.

(e) The county auditor of a covered county shall distribute the

amount set aside under this section for a particular year among eligible taxing units according to a formula or amount prescribed by the Indiana bond bank or the person or entity designated by the Indiana bond bank.

(f) The amount due to an eligible taxing unit under this section to compensate the eligible taxing unit for delayed property tax collections in a particular year shall be distributed in eight (8) equal installments. Each installment shall be paid on a consecutive settlement date following the date the Indiana bond bank or the person or entity designated by the Indiana bond bank determines the amount to be distributed to the eligible taxing unit.

(g) Any amount set aside under this section that exceeds the amount that the Indiana bond bank or a person or entity designated by the Indiana bond bank requires the covered county to distribute to eligible taxing units shall be transferred back to the funds from which the money was set aside in accordance with the directions of the Indiana bond bank or a person or entity designated by the Indiana bond bank.

(h) An eligible taxing unit, the county auditor and county treasurer of a covered county, and any special master appointed under this chapter shall provide the Indiana bond bank or a person or entity designated by the Indiana bond bank with the information required by the Indiana bond bank or a person or entity designated by the Indiana bond bank to carry out this section.

(i) An amount set aside under this section for distribution to eligible taxing units reduces the amount available to the county governmental unit for other expenditures. The county governmental unit may not impose an additional property tax levy to replace the lost revenue.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-19

Application of interest received by an eligible taxing unit

Sec. 19. An eligible taxing unit shall apply interest received under section 18 of this chapter:

(1) first, to pay or reimburse a fund for the payment of costs and interest incurred on tax anticipation warrants or obligations issued in anticipation of delayed property taxes; and

(2) thereafter, to obligations that would otherwise require the eligible taxing unit to impose a property tax to pay, as required by the Indiana bond bank or a person or entity designated by the Indiana bond bank.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-20

Employment of special masters; approval of department

Sec. 20. (a) Subject to the approval of the department, a county executive of a covered county may employ one (1) or more special masters and the number of deputy special masters needed by the special masters to carry out substantially all of the duties of:

(1) the county auditor;
(2) the county treasurer; or
(3) the county assessor;

or any combination of these offices, as is necessary to issue property tax bills in each year that the county is a covered county, including the year that the county ceases to be a covered county.

(b) The department may:

(1) as a condition of approving the contract, require that the department must be a party to the employment contract and any addendum to the employment contract;
(2) specify the scope of a special master's duties; and
(3) set standards for the selection and conduct of the special master.

However, to expedite the selection of a special master, the county executive may purchase the services of a special master and deputy special masters using any procedure permitted under IC 5-22-6-1.

(c) If the duties of the county auditor, the county treasurer, and the county assessor are assigned to one (1) or more special masters under this section, the assignment of duties shall be delegated among different individuals in such a manner as to maintain adequate accounting internal controls.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-21
Contracts with special masters

Sec. 21. No contract shall be made with any special master before the giving of notice and the receiving of bids from anyone desiring to furnish this service. Notice of the time and place for receiving bids for the contract shall be given by publication by one (1) insertion in two (2) newspapers of general circulation published in the county and representing each of the two (2) leading political parties in the county. If only one (1) newspaper is published in the county, notice in that one (1) newspaper is sufficient to comply with the requirements of this section. The contract shall be awarded to the lowest and best bidder who meets all requirements under law and all standards specified by the department for entering a contract to serve as special master. However, any and all bids may be rejected, and new bids may be asked.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-22
Appropriation by fiscal body of covered county

Sec. 22. (a) The county fiscal body of a covered county shall appropriate the funds needed to meet the obligations created by a special master's contract.

(b) The county executive of a covered county shall provide the space and all necessary supplies needed to meet the obligations created by a special master's contract.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-23
Powers of special master

Sec. 23. A special master has the powers of a county auditor within the scope of the special master's duties, including the power to employ deputy special masters and terminate employment.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-24
Assistance provided to special master upon request

Sec. 24. The county auditor, the county treasurer, the county assessor, and all other officials and employees of a covered county shall provide assistance to a special master, as requested by the special master or the special master's deputies.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-25
Tax credit

Sec. 25. The county council of a covered county may grant a tax credit not exceeding two percent (2%) of delayed property taxes due on a reconciliation statement on any amount of delayed property taxes paid within thirty (30) regular business days after the county treasurer mails or otherwise transmits the property tax bill for the delayed property taxes to the taxpayer or other person authorized to receive the property tax bill. The amount of the credit reduces the amount to be distributed to each taxing unit that imposed the delayed property taxes in proportion to the amount due to each taxing unit. A taxing unit shall allocate the amount of the lost revenue to every fund in proportion to the delayed property taxes due from the property tax bill, other than a debt service fund.
As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-26
Powers and duties of department; assessments; deductions and credits; petitions for review; installment plan; reconciliation statements

Sec. 26. (a) The department may prescribe forms, adopt emergency rules under IC 6-1.1-22.5-20, issue administrative orders, set deadlines and other timetables for required activities, and issue interpretive bulletins to carry out this chapter, including rules, orders, and bulletins related to the scope of the duties to be performed by a special master under this chapter.

(b) Notwithstanding any other law, the department shall require that:

(1) trending and other adjustments to the assessed value of real property under IC 6-1.1-4-4.5 be applied separately to each assessment date subject to this chapter with the resulting assessments rolled over to be used as the valuation that is adjusted for the following assessment date;

(2) the information required to be submitted to the department or the legislative services agency, or both, under

IC 6-1.1-4-18.5, IC 6-1.1-4-19.5, IC 6-1.1-4-25, IC 6-1.1-5.5-3, IC 6-1.1-11-8, IC 6-1.1-31.5-3.5, IC 6-1.1-33.5-3, or IC 36-2-9-20 be submitted separately for each assessment date subject to this chapter not later than sixty (60) days after the information becomes available to the local official possessing the information;

(3) a homestead eligible for a standard deduction under IC 6-1.1-12-37 on which payments on a reconciliation statement subject to this section are delinquent, including an installment payment under IC 6-1.1-22.5-18.5, may not be placed on a list for tax sale for at least twelve (12) months after the payment, including an installment payment under IC 6-1.1-22.5-18.5, is otherwise due;

(4) the period in which property eligible for a deduction or credit provided by law for an assessment date for which delayed property taxes are imposed is extended to the later of July 1 in the year in which the county becomes a covered county or a date that is forty-five (45) days after the reconciliation statement for those taxes is mailed or otherwise transmitted under IC 6-1.1-22.5-12, and that the current owner of the property may file the application for the deduction or credit;

(5) the current owner of property may file a petition under IC 6-1.1-15 for an assessment date for which delayed property taxes are due and payable under a reconciliation statement issued by a covered county as provided in this chapter; and

(6) the fiscal body of a covered county shall establish an installment payment plan in accordance with IC 6-1.1-22.5-18.5 under which taxpayers are required to pay delayed property taxes either:

(A) by paying the delayed property taxes over an installment period (of at least six (6) months) determined by the county fiscal body; or

(B) by making a single payment of the delayed property taxes after the end of a period (of at least six (6) months) determined by the county fiscal body;

as specified by ordinance of the county fiscal body. The fiscal body of a covered county may adopt an ordinance under IC 6-1.1-22.5-18.5 extending the installment period or the due date of the single payment.

Reconciliation statements issued by a covered county after March 15, 2012, must include a statement in at least 10-point bold type that explains a taxpayer's rights under subdivision (4) to file a deduction or credit application. Any overpayment of delayed property taxes that result after the application of a deduction or credit granted after the payment of the delayed property taxes shall be first applied without the filing of a claim under IC 6-1.1-26. The county treasurer shall apply the excess payment first to any delinquent property taxes owed by the taxpayer who owned the property in the year to which the credit or deduction applies, and, second, as a credit against property taxes for the affected property that become first due and payable after

the excess payment is determined.

(c) Subject to the requirements of this chapter, the department may set schedules and take other actions necessary or appropriate to provide for the earliest possible issuance of property tax bills for the collection of delayed property taxes and a return to a normal collection cycle for property taxes in covered counties.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-22.6-26.5

Eligibility for standard deduction; county option for delayed payment due date

Sec. 26.5. (a) This section applies notwithstanding any other law.

(b) The following definitions apply throughout this section:

(1) "Current assessment date" refers to an assessment date in one (1) or both of the following years:

(A) The year in which a reconciliation statement for delayed property taxes is issued.

(B) The year in which an installment payment for a reconciliation statement described in clause (A) is due.

(2) "Homestead" refers to tangible property that is eligible for a standard deduction for a current assessment date, including tangible property for which a late application of the standard deduction is filed under section 26(b)(4) of this chapter.

(3) "Current owner" refers to the person that owns or is buying under contract a homestead.

(4) "Delayed assessment date" refers to an assessment date for which delayed property taxes are imposed.

(5) "Standard deduction" refers to a deduction under IC 6-1.1-12-37.

(c) Subject to this section, the current owner of a homestead in a covered county that qualifies for a deduction from the assessed value of a homestead for a current assessment date shall be treated as eligible for the equivalent deduction in effect for a delayed assessment date notwithstanding that:

(1) the current owner did not reside at or own the homestead property in the year of the delayed assessment date;

(2) the current owner qualifies for an equivalent deduction on property other than the homestead property in the same county or another county in the year of the delayed assessment date;

(3) the homestead property was not used for purposes that would have qualified for the deduction in the year of the delayed assessment date; or

(4) the current owner or the homestead would not otherwise have qualified for the deduction for the homestead property in the year of the delayed assessment date.

(d) A homestead that qualifies under this section for a standard deduction in the year of a delayed assessment date shall also be treated as qualifying for the circuit breaker credit applicable to homesteads under IC 6-1.1-20.6 and any other credits under IC 6-1.1-20.4, IC 6-3.5, or another law that were available to

homesteads in the year of the delayed assessment date.

(e) For purposes of applying this section, if an individual or entity other than the current owner was entitled to an equivalent deduction on the homestead property in the year of the delayed assessment date, the deduction shall be applied to the delayed assessment date for the current owner in the amount to which the former owner was entitled.

(f) Except as provided by rule adopted by the department of local government finance under IC 4-22-2 or an emergency rule adopted in the manner provided under IC 4-22-2-37.1, the county auditor and county treasurer shall apply the deductions and credits granted by this section to homestead property without requiring the current owner to apply for a deduction for that delayed assessment date. The county treasurer may apply the deductions and credits on a provisional statement or a reconciliation statement. If the county treasurer sends out a reconciliation statement for the delayed property taxes due for a delayed assessment date that does not reflect the deductions and credits, the county treasurer shall send out a revised reconciliation statement that reflects the deductions and credits with instructions on how to seek a refund if the property taxes for the delayed assessment date have been paid. For circumstances in which the department of local government finance requires a current owner to apply for a deduction granted by this chapter, the current owner may apply for the deduction at any time within ninety (90) days after the later of the date the last payment is due for the delayed property taxes imposed for the delayed assessment date or the date the current owner receives a revised reconciliation statement under this subsection.

(g) The department of local government finance may adopt rules under IC 4-22-2 to facilitate the application of this section, including temporary rules adopted in the manner provided for the adoption of emergency rules under IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1, an emergency rule adopted under this subsection expires on the earliest of the following:

(1) The date specified in the emergency rule.

(2) The date another emergency rule or a permanent rule supersedes, amends, or repeals the emergency rule.

(3) Two (2) years after the emergency rule is adopted.

Rules adopted under this subsection must be designed to minimize the administrative burden on current owners that are eligible for deductions and credits granted under this section and other taxpayers eligible for a delayed payment date under subsection (h) or tax relief under subsection (i).

(h) This subsection applies to current property taxes. As used in this subsection, "current property taxes" refers to property taxes imposed for the March 1, 2012, or January 15, 2013, assessment date in a county that is or has been a covered county. The county fiscal body may adopt a resolution before July 1, 2013, to request that the department of local government finance waive the requirements of IC 6-1.1-22-9 and IC 6-1.1-22.5-6 and any other applicable law for current property taxes. The county fiscal body shall certify a copy of the resolution to the county auditor, the county treasurer, and the

department of local government finance as soon as practicable after the resolution is adopted. The department of local government finance shall conduct a public hearing in the county not more than thirty (30) days after receiving a copy of the certified resolution. The department of local government finance shall give notice of the public hearing one (1) time in accordance with IC 5-3-1. If after the hearing the department of local government finance determines that a delay in the distribution of statements for and payment of current property taxes will result in tax relief to the taxpayers of the county, the department of local government finance shall waive the requirements of IC 6-1.1-22-9 and IC 6-1.1-22.5-6 and any other applicable law, as necessary, and authorize the county to issue a single tax statement for current property taxes and any other special assessments or amounts that would otherwise be billed on the statement before the date specified by the department of local government finance. The specified date may not be before September 16, 2013. Current property taxes and any other special assessments or amounts billed on the statement issued under this subsection are due as provided in a resolution that complies with this section and is adopted by the county fiscal body at any time before the date the single tax statement is mailed or otherwise transmitted. The resolution must establish a payment plan under which taxpayers are required to pay current property taxes and any other special assessments or amounts billed on the single tax statement either by:

(1) paying the current property taxes and any other special assessments or billed amounts in equal payments over an installment period (of at least six (6) months); or

(2) making a single payment of the current property taxes and any other special assessments or billed amounts after the end of a period (of at least six (6) months);

as determined by the county fiscal body.

(i) As used in this subsection, "current property taxes" refers to property taxes imposed for the March 1, 2012, or January 15, 2013, assessment date and special assessments due on a tax statement issued for these property taxes in a county that was a covered county in 2009 or 2010. Section 17 of this chapter (right to make payments of property taxes and special assessments by credit card, debit card, bank card, or electronic transfer; transaction charges) and section 25 of this chapter (county council discretionary authority to authorize a two percent (2%) tax credit for payment within thirty (30) days) apply to current property taxes to the same extent as if they were delayed property taxes payable on a reconciliation statement. Notwithstanding any other law, an owner of a homestead (as defined in IC 6-1.1-12-37) may apply for a standard deduction as permitted under IC 6-1.1-12-37 or IC 6-1.1-12-44 from the assessed value of property determined for the March 1, 2012, or January 15, 2013, assessment date at any time on or before a date that is forty-five (45) days after the last reconciliation or other tax statement for the current property taxes is mailed or otherwise transmitted for the current property taxes. An application filed within the time permitted under

this subsection shall be treated as a timely application for the standard deduction. A homestead that is eligible for a standard deduction under IC 6-1.1-12-37 for a year in which current property taxes are imposed may not be placed on a list for tax sale for the payment of delinquent current property taxes for at least twelve (12) months after a due date for payment of the current property taxes. Any overpayment of current property taxes that result after the application of a deduction or credit granted after the payment of the current property taxes shall be first applied without the filing of a claim under IC 6-1.1-26. The county treasurer shall apply the excess payment first to any delinquent property taxes owed by the taxpayer who owned the property in the year to which the credit or deduction applies and, second, as a credit against property taxes for the affected property that become first due and payable after the excess payment is determined. Property tax statements issued for current property taxes must include a statement in at least 10-point bold type that explains a taxpayer's rights under subsection (h) and this subsection.

(j) An action of:

(1) a county assessor, county auditor, or county treasurer that, before May 10, 2013, grants or applies a deduction or credit that is authorized by this section; and

(2) a county fiscal body or the department of local government finance taken before May 10, 2013, to carry out this section;

is legalized and validated to the same extent as if the action had occurred after May 9, 2013.

(k) This section shall be liberally construed by the department of local government finance, elected officials, political subdivisions, and the courts to provide taxpayers tax relief described in this section.

As added by P.L.11-2013, SEC.1.

IC 6-1.1-22.6-26.7
Transfer from debt service fund to rainy day fund authorized for a qualified school corporation

Sec. 26.7. (a) This section applies only to a school corporation that imposes at least a majority of its 2014 certified property tax levies in a county that was or is a covered county in any year after 2011.

(b) Notwithstanding any other law and subject to subsection (c), a school corporation described in subsection (a) may, before September 1, 2014, transfer from the school corporation's debt service fund to the school corporation's rainy day fund a total amount equal to not more than twenty percent (20%) of the school corporation's 2014 certified debt service fund budget.

(c) A school corporation may not make a transfer under this section to the extent that to do so would endanger the interests of the holders of bonds or would endanger the interests of lessors.

(d) This section expires January 1, 2015.

As added by P.L.134-2014, SEC.2.

IC 6-1.1-22.6-27
Expiration

Sec. 27. This chapter expires December 31, 2016.

As added by P.L.112-2012, SEC.41.

IC 6-1.1-23

Chapter 23. Provisions for Collection of Delinquent Personal Property Taxes

IC 6-1.1-23-1

Written demand; service; content

Sec. 1. (a) Annually, after November 10th but before August 1st of the succeeding year, each county treasurer shall serve a written demand upon each county resident who is delinquent in the payment of personal property taxes. Annually, after May 10 but before October 31 of the same year, each county treasurer may serve a written demand upon a county resident who is delinquent in the payment of personal property taxes. The written demand may be served upon the taxpayer:

(1) by registered or certified mail;

(2) in person by the county treasurer or the county treasurer's agent; or

(3) by proof of certificate of mailing.

(b) The written demand required by this section shall contain:

(1) a statement that the taxpayer is delinquent in the payment of personal property taxes;

(2) the amount of the delinquent taxes;

(3) the penalties due on the delinquent taxes;

(4) the collection expenses which the taxpayer owes; and

(5) a statement that if the sum of the delinquent taxes, penalties, and collection expenses are not paid within thirty (30) days from the date the demand is made then:

(A) sufficient personal property of the taxpayer shall be sold to satisfy the total amount due plus the additional collection expenses incurred; or

(B) a judgment may be entered against the taxpayer in the circuit court of the county.

(c) Subsections (d) through (g) apply only to personal property that:

(1) is subject to a lien of a creditor imposed under an agreement entered into between the debtor and the creditor after June 30, 2005;

(2) comes into the possession of the creditor or the creditor's agent after May 10, 2006, to satisfy all or part of the debt arising from the agreement described in subdivision (1); and

(3) has an assessed value of at least three thousand two hundred dollars ($3,200).

(d) For the purpose of satisfying a creditor's lien on personal property, the creditor of a taxpayer that comes into possession of personal property on which the taxpayer is adjudicated delinquent in the payment of personal property taxes must pay in full to the county treasurer the amount of the delinquent personal property taxes determined under STEP SEVEN of the following formula from the proceeds of any transfer of the personal property made by the creditor or the creditor's agent before applying the proceeds to the creditor's

lien on the personal property:

STEP ONE: Determine the amount realized from any transfer of the personal property made by the creditor or the creditor's agent after the payment of the direct costs of the transfer.

STEP TWO: Determine the amount of the delinquent taxes, including penalties and interest accrued on the delinquent taxes as identified on the form described in subsection (f) by the county treasurer.

STEP THREE: Determine the amount of the total of the unpaid debt that is a lien on the transferred property that was perfected before the assessment date on which the delinquent taxes became a lien on the transferred property.

STEP FOUR: Determine the sum of the STEP TWO amount and the STEP THREE amount.

STEP FIVE: Determine the result of dividing the STEP TWO amount by the STEP FOUR amount.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE amount.

STEP SEVEN: Determine the lesser of the following:

(A) The STEP TWO amount.

(B) The STEP SIX amount.

(e) This subsection applies to transfers made by a creditor after May 10, 2006. As soon as practicable after a creditor comes into possession of the personal property described in subsection (c), the creditor shall request the form described in subsection (f) from the county treasurer. Before a creditor transfers personal property described in subsection (d) on which delinquent personal property taxes are owed, the creditor must obtain from the county treasurer a delinquent personal property tax form and file the delinquent personal property tax form with the county treasurer. The creditor shall provide the county treasurer with:

(1) the name and address of the debtor; and

(2) a specific description of the personal property described in subsection (d);

when requesting a delinquent personal property tax form.

(f) The delinquent personal property tax form must be in a form prescribed by the state board of accounts under IC 5-11 and must require the following information:

(1) The name and address of the debtor as identified by the creditor.

(2) A description of the personal property identified by the creditor and now in the creditor's possession.

(3) The assessed value of the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).

(4) The amount of delinquent personal property taxes owed on the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).

(5) A statement notifying the creditor that this section requires that a creditor, upon the liquidation of personal property for the

satisfaction of the creditor's lien, must pay in full the amount of delinquent personal property taxes owed as determined under subsection (d) on the personal property in the amount identified on this form from the proceeds of the liquidation before the proceeds of the liquidation may be applied to the creditor's lien on the personal property.

(g) The county treasurer shall provide the delinquent personal property tax form described in subsection (f) to the creditor not later than fourteen (14) days after the date the creditor requests the delinquent personal property tax form. The county assessor and the township assessors (if any) shall assist the county treasurer in determining the appropriate assessed value of the personal property and the amount of delinquent personal property taxes owed on the personal property. Assistance provided by the county assessor and the township assessors (if any) must include providing the county treasurer with relevant personal property forms filed with the assessor or assessors and providing the county treasurer with any other assistance necessary to accomplish the purposes of this section.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.71, SEC.1; P.L.38-1998, SEC.3; P.L.173-2003, SEC.9; P.L.214-2005, SEC.14; P.L.146-2008, SEC.257.

IC 6-1.1-23-1.2

Documents to be signed; official documents

Sec. 1.2. (a) The following documents must be signed by the county treasurer or a designee of the county treasurer:

(1) A notice or demand issued under this chapter.

(2) Any other document issued under this chapter that requires an authorizing signature.

(b) A document signed under this section is an official document of the county treasurer.

As added by P.L.46-1991, SEC.3.

IC 6-1.1-23-1.5

Contracts; collection fees

Sec. 1.5. (a) A county treasurer may enter into a contract, subject to the approval of the county executive, for services that the county treasurer considers necessary for:

(1) the administration of this chapter; or

(2) the collection of delinquent personal property taxes.

(b) If delinquent personal property taxes are collected under a contract entered into under this section, the county treasurer may collect from the person owing the delinquent taxes a reasonable collection fee.

As added by P.L.46-1991, SEC.4. Amended by P.L.56-1996, SEC.2.

IC 6-1.1-23-2

Levy and sale of property for delinquent taxes

Sec. 2. (a) If a taxpayer does not pay the total amount due within thirty (30) days after the date a written demand is made under section

1 of this chapter, the county treasurer shall levy upon and sell personal property of the taxpayer which is of sufficient value to pay the delinquent taxes, penalties, and anticipated collection expenses.

(b) The county treasurer shall levy upon personal property by calling upon the delinquent taxpayer at his residence or place of business and making a list in duplicate of all of his personal property. The county treasurer shall retain one (1) copy of the list and deliver the other copy to the delinquent taxpayer. The county treasurer may require the delinquent taxpayer to give a list under oath of all the personal property owned by him, and the names of the owners of other personal property which is in the delinquent taxpayer's possession. If the delinquent taxpayer fails to provide the list, the county treasurer shall file a petition which states that fact in the circuit court of the county, and the circuit court shall order the delinquent taxpayer to provide the list.

(c) The county treasurer shall appraise the personal property included in a levy. The personal property included in a levy is subject to sale for the payment of the delinquent taxes, penalties, and collection expenses without further notice to the delinquent taxpayer. *(Formerly: Acts 1975, P.L.47, SEC.1.)*

IC 6-1.1-23-3
Levy procedure; taxpayer's bond

Sec. 3. (a) When a county treasurer levies upon personal property, he may:

(1) take immediate possession of the property and store it in a secure place; or

(2) leave the property in the custody of the delinquent taxpayer until the day of the sale.

(b) If the personal property is left in the custody of the delinquent taxpayer, he shall give the county treasurer a joint and several delivery bond, with a surety acceptable to the county treasurer. The bond must be payable to this state in an amount at least equal to the sum of the delinquent taxes, penalties, and anticipated collection expenses. The state may not initiate an action on the bond if:

(1) the personal property is delivered for sale at the time and place designated by the county treasurer; or

(2) the obligor, before the time of the sale, pays to the county treasurer the amount of the delinquent taxes, penalties, and collection expenses.

(c) The bond required by subsection (b) of this section shall be prepared in the following form:

We, A, as principal, and B, as surety, are jointly and severally bound unto the state of Indiana in the penal sum of _____ (____) on the following condition:

Whereas, C, as treasurer of _____ County, has this day levied upon the following personal property, (here list such property), of the value of _____ (____) to satisfy the delinquent taxes, penalties, and anticipated collection expenses for the year(s) _____ due from said A. Now if A shall deliver the said personal property to

C at _____ o'clock (A.M. or P.M.) of the ____ day of _____ 19 __, at the place designated by C to be sold to pay the delinquent taxes, penalties, and anticipated collection expenses, then this bond shall be void, else in full force.

Witness our hands and

seals _____ (date)_____

_____A_____

_____B_____

Approved by me _____ (date) _____

_____C _____

Treasurer of _____ County

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-23-4

Notice of sale

Sec. 4. After a county treasurer levies upon a delinquent taxpayer's personal property, he shall give notice of the time and place of sale. The notice shall contain a list of the property to be sold. The county treasurer shall give this notice at least ten (10) days before the date of sale. The notice shall be given by publication one (1) time in the manner prescribed in IC 1971, 6-1.1-22-4(b) and by posting one (1) notice at a public place of posting in the county courthouse.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-23-5

Auction of property; record; proceeds of sale

Sec. 5. (a) If the delinquent taxes, penalties, and collection expenses are not paid before the time set for the sale, the county treasurer shall sell sufficient personal property of the taxpayer to pay the delinquent taxes, penalties, and collection expenses. The county treasurer shall, at the time and place designated in the notice, sell the personal property at public auction to the highest bidder. The county treasurer shall keep a record of all sales in the form prescribed by the state board of accounts. The proceeds of the sale shall be paid into the county treasury and applied as follows:

(1) first, to the collection expenses;

(2) second, to the payment of the delinquent taxes and penalties;

(3) third, to the payment of other tax delinquencies of the taxpayer in the order provided in subsection (b) of this section; and

(4) fourth, any balance remaining shall be paid to the delinquent taxpayer.

(b) Any surplus funds to be applied to the other delinquent taxes of a taxpayer under subsection (a)(3) of this section or under IC 1971, 6-1.1-24-7(a)(2) shall be applied as follows:

(1) first, to the payment of delinquent personal property taxes owed in the county by the taxpayer;

(2) second, to the payment of delinquent real property taxes owed in the county by the taxpayer; and

(3) third, to the payment of delinquent personal property taxes owed by the taxpayer and certified from another county.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-23-6
Scope of levy and sale provisions; exemption of household goods

Sec. 6. (a) The scope of the levy and sale provisions of this chapter is not limited to a taxpayer's personal property which is subject to assessment and taxation under this article. Thus, except as provided in subsection (b) of this section, all of a taxpayer's personal property is subject to levy and sale under this chapter.

(b) The household goods of any person, not to exceed the value of six hundred dollars ($600), are exempt from levy and sale. The county treasurer shall determine the value of a person's household goods. If the taxpayer disputes the value, the county assessor shall view the property and fix the true cash value of it. The value so fixed is binding upon the county treasurer and the owner of the property.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-23-7
Collection expenses; payment; fees; disposition

Sec. 7. (a) With respect to the collection of delinquent personal property taxes, the county treasurer shall charge the following collection expenses to each delinquent taxpayer:

(1) For making a demand by:
  (A) registered or certified mail, eight dollars ($8); or
  (B) any other manner permitted by section 1 of this chapter, five dollars ($5).
(2) For making a levy, ten dollars ($10).
(3) For selling personal property, ten percent (10%) of the sale price.
(4) For advertising a sale, the legal rates for advertising.
(5) For transfer and storage of personal property, the actual expense incurred.
(6) Other reasonable expenses of collection, including:
  (A) title search expenses;
  (B) uniform commercial code search expenses; and
  (C) reasonable attorney's fees or court costs incurred:
    (i) in the collection process;
    (ii) due to a court order; or
    (iii) due to an order of the treasurer;
  under IC 6-1.1-23-10.

(b) The fees collected under this section are the property of the county and shall be deposited in the county general fund. The collection expenses incurred in connection with the levy upon and sale of personal property shall be paid from the county general fund without prior appropriation.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.72, SEC.1; Acts 1979, P.L.62, SEC.1; P.L.46-1991, SEC.5; P.L.68-1993, SEC.3; P.L.38-1998, SEC.4.

IC 6-1.1-23-8

Delinquent taxpayer about to remove property from county; levy and sale procedure

Sec. 8. When a county treasurer believes that a person who is liable for delinquent personal property taxes is about to take his property from the county without paying the taxes, the treasurer may, in the manner prescribed in this chapter, levy upon and sell sufficient personal property of that person to pay the delinquent taxes, penalties, and collection expenses. The county treasurer is not required to make the demand required by section 1 of this chapter before a levy and sale made under this section.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-23-9

Record of delinquencies

Sec. 9. (a) In the year immediately following the year in which personal property taxes become delinquent, each county treasurer shall prepare a record of the delinquencies for which written demand has been made under section 1 of this chapter and which remain unpaid for at least sixty (60) days after the demand is made.

(b) The county treasurer shall prepare the record required by this section in a form prescribed or approved by the state board of accounts. For each delinquent taxpayer, the record shall contain:

(1) the name of the taxpayer who is personally liable for the taxes as shown by the tax duplicate;

(2) the last known address of the taxpayer;

(3) the date when the last installment of taxes included in the record became delinquent; and

(4) the amount of all delinquent taxes, penalties, and collection expenses for which such a demand has been made and which remain unpaid.

(c) The county treasurer shall swear to the accuracy of the record before the clerk of the circuit court and shall file the record with the clerk. When the record is so filed, the amount of delinquent taxes, penalties, and collection expenses stated in the record constitute a debt of the named taxpayer. This debt in all respects has the same force and effect as a judgment. The judgment so entered shall be in favor of the county for the benefit of all taxing units having an interest in it. Beginning the day the record is filed, the delinquent taxpayer shall, instead of the penalties prescribed in IC 1971, 6-1.1-37-10, pay interest on the amount of the judgment at the same rate imposed on other judgments.

(d) On the date the county treasurer files the record in the office of the clerk of the circuit court, the county treasurer shall make an entry on the tax duplicate in a column headed "Certified to Clerk of Circuit Court."

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-23-10

Notice of judgment and execution; restraining orders; remedies; attorney's fees

Sec. 10. (a) If a judgment entered under section 9 of this chapter is not paid, the county treasurer may notify the delinquent taxpayer by certified mail that a judgment has been entered against him and that the treasurer is going to file a praecipe for execution. If the judgment is not paid within ten (10) days after the date the notice is given, the county treasurer shall file the praecipe for execution. If this notice is not given, an execution upon the judgment is invalid.

(b) If a judgment has been entered against a taxpayer under section 9 of this chapter, the county treasurer may obtain a court order restraining the taxpayer from transacting business in the county. However, the restraining order may be dissolved if the court believes that dissolution of the restraining order will make collection of the judgment more likely.

(c) If a judgment against a taxpayer under section 9 of this chapter has not been satisfied within sixty (60) days after the judgment is entered, the county treasurer may do the following without judicial proceedings:

(1) Levy upon property of the taxpayer that is held by a financial institution. The county treasurer shall make a levy in the same manner as the department of state revenue under IC 6-8.1-8-8. A financial institution that receives a claim under this subdivision shall transfer to the county treasurer property of the taxpayer that is held by the financial institution. However, if the value of the taxpayer's property held by the financial institution is greater than the amount of the judgment, the financial institution shall transfer property of the taxpayer in an amount equal to the amount of the judgment.

(2) Garnish the accrued earnings and wages of the taxpayer by giving notice to the taxpayer's employer. An employer who receives a notice under this subdivision shall garnish the accrued earnings and wages of the taxpayer in an amount equal to the full amount subject to garnishment under IC 24-4.5-5-105. The employer:

(A) shall remit the amount garnished under this subdivision to the county treasurer; and

(B) is entitled to a fee equal to the amount of the fee that may be collected under IC 24-4.5-5-105(5) in a garnishment action. However, the taxpayer shall pay the entire fee collected under this clause.

(3) Withhold the amount of the judgment in full or in part from any payment that:

(A) is due to the taxpayer from the county; and

(B) requires the signature of the county treasurer.

(d) The treasurer of a county may use any combination of remedies provided under this section to collect the following:

(1) Delinquent taxes.

(2) Expenses incurred under IC 6-1.1-23-7(a)(1) through IC 6-1.1-23-7(a)(6).

(e) A county treasurer that incurs attorney's fee expenses for legal services not related to formal judicial proceedings shall petition a

circuit or superior court in the county for approval to pay the expenses. The court may conduct a hearing on the petition and may authorize the auditor of the county to issue a warrant for the amount of the reasonable expenses. The county treasurer shall pay the warrant without an appropriation for the disbursement.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.46-1991, SEC.6; P.L.44-1992, SEC.1; P.L.68-1993, SEC.4.

IC 6-1.1-23-11
Certificate of judgment to treasurers of other counties; indexing; execution; audits

Sec. 11. (a) The treasurer of a county in which a judgment is entered under section 9 of this chapter shall send a certificate of the judgment to the treasurer of another county and to the department of local government finance if the county treasurer determines that:

(1) the delinquent taxpayer does not have, in the county in which the judgment is entered, property of sufficient value to satisfy the judgment; and

(2) the delinquent taxpayer does have property in the other county.

(b) A county treasurer who receives a certificate of judgment shall have the judgment indexed in the judgment docket by the clerk of the circuit court of the county the treasurer serves. The county treasurer shall proceed to have execution issued upon the judgment in the same manner as if the judgment had been originally entered in the county he serves.

(c) The department of local government finance shall make periodic audits of the records of the county treasurers to insure compliance with the provisions of this section.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.212.

IC 6-1.1-23-12
Setting aside judgment; grounds

Sec. 12. (a) A judgment entered under section 9 or section 11 of this chapter may be set aside only for one (1) of the following reasons:

(1) The person against whom the judgment was entered was not liable for the delinquent taxes, penalties, and collection expenses for which the judgment was entered.

(2) The delinquent taxes, penalties, and collection expenses have been paid either in whole or in part.

(3) The required written demand was not given in the manner prescribed in section 1 of this chapter.

(4) The person against whom the judgment was entered is deceased, as evidenced by a certificate of death.

(5) The corporation against whom the judgment was entered has been formally dissolved or is no longer in business.

(6) The judgment is uncollectible as a result of bankruptcy.

(7) The county treasurer has exhausted all reasonable efforts to

collect the delinquent taxes, penalties, and collection expenses for the period specified in IC 6-8.1-8-2(f) without success.

For purposes of subdivision (2), if only part of the items have been paid, the judgment may be set aside only in the amount of the payment.

(b) A judgment may be set aside under this section only under a finding entered of record by a court which has jurisdiction.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.56-1996, SEC.3.

IC 6-1.1-23-13

Satisfaction of judgments

Sec. 13. Payment of delinquent tax judgments and interest shall be made to the county treasurer. On a daily basis the county treasurer shall enter a satisfaction of all judgments paid in the delinquent tax judgment record maintained in the office of the clerk of the circuit court. The county treasurer shall apply the amount so paid to the delinquent taxes, penalties, and collection expenses for which the judgment was entered.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-24

Chapter 24. Sale of Real Property When Taxes or Special Assessments Become Delinquent

IC 6-1.1-24-1 Version a

Property taxes; delinquent list; minimum payments

Note: This version of section amended by P.L.66-2014, SEC.5. See also following version of this section amended by P.L.166-2014, SEC.7.

Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer shall certify to the county auditor a list of real property on which any of the following exist:

(1) Any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10 and the delinquent property tax or special assessments due exceed twenty-five dollars ($25).

(2) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Except as provided in section 1.2 or another provision of this chapter, the taxpayer's property shall remain on the list. The list must:

(1) describe the real property by parcel number and common address, if any;

(2) for a tract or item of real property with a single owner, indicate the name of the owner; and

(3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.63, SEC.1; P.L.60-1988, SEC.4; P.L.83-1989, SEC.1; P.L.50-1990, SEC.2; P.L.39-1994, SEC.1; P.L.88-1995, SEC.1; P.L.139-2001, SEC.1; P.L.169-2006, SEC.13; P.L.73-2010, SEC.1; P.L.113-2010, SEC.39; P.L.120-2012, SEC.3; P.L.203-2013, SEC.5; P.L.66-2014, SEC.5.

IC 6-1.1-24-1 Version b

Property taxes; delinquent list; minimum payments

Note: This version of section amended by P.L.166-2014, SEC.7. See also preceding version of this section amended by P.L.66-2014,

SEC.5.

Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer (or county executive, in the case of property described in subdivision (2)) shall certify to the county auditor a list of real property on which any of the following exist:

(1) In the case of real property other than real property described in subdivision (2), any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10 and the delinquent property taxes, special assessments, penalties, fees, or interest due exceed twenty-five dollars ($25).

(2) In the case of real property for which a county executive has certified to the county auditor that the real property is:

(A) vacant; or

(B) abandoned;

any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10. The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made. The executive of a city or town may provide to the county executive of the county in which the city or town is located a list of real property that the city or town has determined to be vacant or abandoned. The county executive shall include real property included on the list provided by a city or town executive on the list certified by the county executive to the county auditor under this subsection.

(3) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Except as provided in section 1.2 or another provision of this chapter, the taxpayer's property shall remain on the list. The list must:

(1) describe the real property by parcel number and common address, if any;

(2) for a tract or item of real property with a single owner, indicate the name of the owner; and

(3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.63, SEC.1; P.L.60-1988, SEC.4; P.L.83-1989, SEC.1; P.L.50-1990, SEC.2; P.L.39-1994, SEC.1; P.L.88-1995, SEC.1; P.L.139-2001, SEC.1; P.L.169-2006, SEC.13; P.L.73-2010, SEC.1; P.L.113-2010, SEC.39; P.L.120-2012, SEC.3; P.L.203-2013, SEC.5; P.L.166-2014, SEC.7.

IC 6-1.1-24-1.2

Removal of property from delinquency list; arrangement for payment of delinquent taxes

Sec. 1.2. (a) Except as provided in subsection (c), a tract or an item of real property may not be removed from the list certified under section 1 of this chapter before the tax sale unless all:

(1) delinquent taxes and special assessments due before the date the list on which the property appears was certified under section 1 of this chapter; and

(2) penalties due on the delinquency, interest, and costs directly attributable to the tax sale;

have been paid in full.

(b) A county treasurer may accept partial payments of delinquent property taxes, assessments, penalties, interest, or costs under subsection (a) after the list of real property is certified under section 1 of this chapter. However, a partial payment does not remove a tract or an item from the list certified under section 1 of this chapter unless the taxpayer complies with subsection (a) or (c) before the date of the tax sale.

(c) A county auditor shall remove a tract or an item of real property from the list certified under section 1 of this chapter before the tax sale if the county treasurer and the taxpayer agree to a mutually satisfactory arrangement for the payment of the delinquent taxes.

(d) The county auditor shall remove the tract or item from the list certified under section 1 of this chapter if:

(1) the arrangement described in subsection (c):

(A) is in writing;

(B) is signed by the taxpayer; and

(C) requires the taxpayer to pay the delinquent taxes in full not later than the last business day before July 1 of the year after the date the agreement is signed; and

(2) the county treasurer has provided a copy of the written agreement to the county auditor.

(e) If the taxpayer fails to make a payment under the arrangement described in subsection (c):

(1) the arrangement is void; and

(2) the county auditor shall immediately place the tract or item of real property on the list of real property eligible for sale at a tax sale.

(f) If a taxpayer fails to make a payment under an arrangement entered into under subsection (c), the county treasurer and the taxpayer may enter into a subsequent arrangement and avoid the

penalties under subsection (e).
As added by P.L.50-1990, SEC.3. Amended by P.L.39-1994, SEC.2; P.L.30-1994, SEC.5; P.L.124-1998, SEC.1; P.L.1-1999, SEC.9; P.L.170-2002, SEC.22; P.L.113-2010, SEC.40; P.L.56-2012, SEC.1; P.L.48-2013, SEC.1; P.L.166-2014, SEC.8.

IC 6-1.1-24-1.5
Vacant or abandoned real property list; auction; notice

Sec. 1.5. (a) As used in this chapter and IC 6-1.1-25, "county executive" means the following:

(1) In a county not containing a consolidated city, the county executive or the county executive's designee.

(2) In a county containing a consolidated city, the executive of the consolidated city.

(b) The county executive or an executive of a city or town may, after obtaining an order under IC 32-30-10.6 that real property is vacant or abandoned and providing either the notice required by IC 32-30-10.6-6 or section 2.3 of this chapter, certify a list of vacant or abandoned property to the county auditor.

(c) Upon receiving lists described in subsection (b), the county auditor shall do all the following:

(1) Prepare a combined list of the properties certified by the executive of the county, city, or town.

(2) Delete any property described in that list from the delinquent tax list prepared under section 1 of this chapter.

(3) Provide public notice of the sale of the properties under subsection (d) at least thirty (30) days before the date of the sale, which shall be published in accordance with IC 5-3-1.

(4) Auction the property.

(5) Issue a deed to the real property to the highest bidder whose bid is at least the minimum bid specified in this section.

The minimum bid for a property at the auction under this section is the proportionate share of the actual costs incurred by the county in conducting the sale. Any amount collected from the sale of all properties under this section above the total minimum bids shall first be used to pay the costs of the county, city, or town that certified the property vacant or abandoned for title search and court proceedings. Any amount remaining from the sale shall be certified by the county treasurer to the county auditor for distribution to other taxing units during settlement.

(d) Notice of the sale under this section must contain the following:

(1) A list of tracts or real property eligible for sale under this chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder.

(3) A statement that the tracts or real property will not be sold for less than an amount equal to actual proportionate costs incurred by the county that are directly attributable to the abandoned property sale.

(4) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, or the county assessor if there is no township assessor for the township, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(5) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(6) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(7) A statement that the sale will take place at the times and dates designated in the notice.

Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.

As added by P.L.87-1987, SEC.1. Amended by P.L.55-1988, SEC.10; P.L.60-1988, SEC.5; P.L.83-1989, SEC.2; P.L.31-1994, SEC.4; P.L.39-1994, SEC.3; P.L.2-1995, SEC.25; P.L.169-2006, SEC.14; P.L.66-2014, SEC.6.

IC 6-1.1-24-1.9

"Substantial property interest of public record" defined

Sec. 1.9. As used in this chapter and IC 6-1.1-25, "substantial property interest of public record" means title to or interest in a tract possessed by a person and recorded in the office of a county recorder or available for public inspection in the office of a circuit court clerk no later than the hour and date the sale is scheduled to commence under this chapter. The term does not include a lien held by the state or a political subdivision.

As added by P.L.88-1987, SEC.1. Amended by P.L.60-1988, SEC.6; P.L.2-1997, SEC.21.

IC 6-1.1-24-2

Notice of tax sale; information required in notice; county recovery of unpaid costs; combined sale or redemption

Sec. 2. (a) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

(1) A list of tracts or real property eligible for sale under this chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.

(3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:

(A) the delinquent taxes and special assessments on each tract or item of real property;

(B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;

(C) all penalties due on the delinquencies;

(D) an amount prescribed by the county auditor that equals the sum of:

(i) the greater of twenty-five dollars ($25) or postage and publication costs; and

(ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:

(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed not more than six (6) months after the date of sale;

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus five percent (5%) per annum on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of five percent (5%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, or the county assessor if there is no township assessor for the township, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

(i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and

(ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be:

(i) filed with the court; and

(ii) served on the county auditor and the county treasurer;

before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the county auditor and the county treasurer are entitled to receive all pleadings, motions, petitions, and other filings related to the defense to the application for judgment.

(D) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that tracts or items will be sold together.

(15) With respect to a tract or an item of real property that is subject to sale under this chapter after June 30, 2012, and before July 1, 2013, a statement declaring whether an ordinance adopted under IC 6-1.1-37-10.1 is in effect in the county and, if applicable, an explanation of the circumstances in which penalties on the delinquent taxes and special assessments will be waived.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.73, SEC.1; P.L.60-1986, SEC.3; P.L.88-1987, SEC.2; P.L.89-1987, SEC.1; P.L.61-1988, SEC.1; P.L.60-1988, SEC.7; P.L.83-1989, SEC.3; P.L.50-1990, SEC.4; P.L.1-1991, SEC.48; P.L.62-1991, SEC.1; P.L.1-1992, SEC.16; P.L.69-1993, SEC.1; P.L.39-1994, SEC.4; P.L.56-1996, SEC.4; P.L.29-1998, SEC.1; P.L.139-2001, SEC.2; P.L.170-2003, SEC.1; P.L.169-2006, SEC.15; P.L.89-2007, SEC.1; P.L.146-2008, SEC.258; P.L.56-2012, SEC.2; P.L.66-2014, SEC.7.

IC 6-1.1-24-2.1
Repealed

(Repealed by P.L.83-1989, SEC.18.)

IC 6-1.1-24-2.2
Notice of property on alternate list

Sec. 2.2. Whenever a notice required under section 2 of this chapter includes real property on the list prepared under section 1(a)(2) or 1.5(d) of this chapter, the notice must also contain a statement that:

(1) the property is on the alternate list prepared under section 1(a)(2) or 1.5(d) of this chapter;

(2) if the property is not redeemed within one hundred twenty

(120) days after the date of sale, the county auditor shall execute and deliver a deed for the property to the purchaser or purchaser's assignee; and

(3) if the property is offered for sale and a bid is not received for at least the amount required under section 5 of this chapter, the county auditor may execute and deliver a deed for the property to the county executive, subject to IC 6-1.1-25.

As added by P.L.87-1987, SEC.2. Amended by P.L.83-1989, SEC.4; P.L.169-2006, SEC.16.

IC 6-1.1-24-2.3

Notice of sale of vacant or abandoned property

Sec. 2.3. (a) This section applies to a property that has been certified as vacant or abandoned under section 1.5 of this chapter.

(b) If a notice was not sent with regard to a tract or real property as permitted by IC 32-30-10.6-6, a notice shall be sent to the owner of record and to any person with a substantial property interest of public record in the tract or real property at least one hundred twenty (120) days before the date of the certification under section 1.5 of this chapter. The notice must contain at least the following:

(1) A statement that an abandoned property sale will be held on or after a specified date.

(2) A description of the tract or real property to be sold.

(3) A statement that any person may redeem the tract or real property at or before the abandoned property sale.

(4) The components of the amount required to redeem the tract or real property.

(5) A statement that if the property is not redeemed, a tax deed may be issued to the purchaser.

(6) The street address, if any, or a common description of the tract or real property.

(7) The key number or parcel number of the tract or real property.

(c) A notice under this section must include not more than one (1) tract or item of real property listed to be sold in one (1) description. However, when more than one (1) tract or item of real property is owned by one (1) person, all of the tracts of real property that are owned by that person may be included in one (1) notice.

(d) A single notice under this section may be used to notify joint owners of record at the last address of the joint owners for the property sold, as indicated in the records of the county auditor.

(e) The notice required by this section is considered sufficient if the notice is mailed to the last address of the owner for the property, as indicated in the records of the county auditor, and any person with a substantial property interest of public record at the address for the person included in the public record that indicates the interest.

(f) The notice under this section is not required for persons in possession not shown in the public records.

As added by P.L.66-2014, SEC.8.

IC 6-1.1-24-3
Notice of auction sale

Sec. 3. (a) When real property is eligible for sale under this chapter, the county auditor shall post a copy of the notice required by sections 2 and 2.2 of this chapter at a public place of posting in the county courthouse or in another public county building at least twenty-one (21) days before the earliest date of application for judgment. In addition, the county auditor shall, in accordance with IC 5-3-1-4, publish the notice required in sections 2 and 2.2 of this chapter once each week for three (3) consecutive weeks before the earliest date on which the application for judgment may be made. The expenses of this publication shall be paid out of the county general fund without prior appropriation.

(b) At least twenty-one (21) days before the application for judgment is made, the county auditor shall mail a copy of the notice required by sections 2 and 2.2 of this chapter by certified mail, return receipt requested, to any mortgagee who annually requests, by certified mail, a copy of the notice. However, the failure of the county auditor to mail this notice or its nondelivery does not affect the validity of the judgment and order.

(c) The notices mailed under this section and the advertisement published under section 4(b) of this chapter are considered sufficient notice of the intended application for judgment and of the sale of real property under the order of the court.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.74, SEC.2; P.L.87-1987, SEC.3; P.L.83-1989, SEC.5; P.L.50-1990, SEC.5; P.L.39-1994, SEC.5; P.L.29-1998, SEC.2; P.L.139-2001, SEC.3; P.L.169-2006, SEC.17.

IC 6-1.1-24-3.5
Repealed

(Repealed by P.L.50-1990, SEC.15.)

IC 6-1.1-24-4
Notice of sale to owner; other notices; listing of properties on tax sale record

Sec. 4. (a) Not less than twenty-one (21) days before the earliest date on which the application for judgment and order for sale of real property eligible for sale may be made, the county auditor shall send a notice of the sale by certified mail, return receipt requested, to:

(1) the owner of record of real property with a single owner; or
(2) at least one (1) of the owners, as of the date of certification, of real property with multiple owners;

at the last address of the owner for the property as indicated in the records of the county auditor on the date that the tax sale list is certified. In addition, the county auditor shall mail a duplicate notice to the owner of record, as described in subdivisions (1) and (2), by first class mail to the owners from whom the certified mail return receipt was not signed and returned. Additionally, the county auditor may determine that mailing a first class notice to or serving a notice

on the property is a reasonable step to notify the owner, if the address of the owner is not the same address as the physical location of the property. If both notices are returned due to incorrect or insufficient addresses, the county auditor shall research the county auditor records to determine a more complete or accurate address. If a more complete or accurate address is found, the county auditor shall resend the notices to the address that is found in accordance with this section. Failure to obtain a more complete or accurate address does not invalidate an otherwise valid sale. The county auditor shall prepare the notice in the form prescribed by the state board of accounts. The notice must set forth the key number, if any, of the real property and a street address, if any, or other common description of the property other than a legal description. The notice must include the statement set forth in section 2(a)(4) of this chapter. With respect to a tract or an item of real property that is subject to sale under this chapter after June 30, 2012, and before July 1, 2013, the notice must include a statement declaring whether an ordinance adopted under IC 6-1.1-37-10.1 is in effect in the county and, if applicable, an explanation of the circumstances in which penalties on the delinquent taxes and special assessments will be waived. The county auditor must present proof of this mailing to the court along with the application for judgment and order for sale. Failure by an owner to receive or accept the notice required by this section does not affect the validity of the judgment and order. The owner of real property shall notify the county auditor of the owner's correct address. The notice required under this section is considered sufficient if the notice is mailed to the address or addresses required by this section.

(b) In addition to the notice required under subsection (a) for real property on the list prepared under section 1(a)(2) or 1.5(d) of this chapter, the county auditor shall prepare and mail the notice required under section 2.2 of this chapter no later than forty-five (45) days after the county auditor receives the certified list from the county treasurer under section 1(a) of this chapter.

(c) On or before the day of sale, the county auditor shall list, on the tax sale record required by IC 6-1.1-25-8, all properties that will be offered for sale.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1987, SEC.5; P.L.89-1987, SEC.2; P.L.87-1987, SEC.4; P.L.55-1988, SEC.11; P.L.60-1988, SEC.8; P.L.83-1989, SEC.7; P.L.39-1994, SEC.6; P.L.139-2001, SEC.4; P.L.169-2006, SEC.18; P.L.89-2007, SEC.2; P.L.56-2012, SEC.3.

IC 6-1.1-24-4.1
Repealed

(Repealed by P.L.169-2006, SEC.83.)

IC 6-1.1-24-4.2
Repealed

(Repealed by P.L.83-1989, SEC.18.)

IC 6-1.1-24-4.5
Urban homesteading agency; list of real property with delinquent taxes

Sec. 4.5. (a) The county auditor shall also provide those agencies under IC 36-7-17 or IC 36-7-17.1, in that county, with a list of tracts or items of real property on which one (1) or more installments of taxes is delinquent by June 15 of the year following the date the delinquency occurred.

(b) This subsection applies to a county having a consolidated city. The county auditor shall prepare a list of tracts or items of real properties for which at least one (1) installment of taxes is delinquent at least ten (10) months. The auditor shall submit a copy of this list to the metropolitan development commission not later than one hundred six (106) days before the date on which application for judgment and order for sale is made.

(c) This subsection applies to a county not having a consolidated city. The county auditor shall prepare a list of tracts or items of real property located in the county for which the fall installment of taxes for the most recent previous year is delinquent. The auditor shall submit a copy of the list prepared under this subsection to each city or town within the county or make the list available on the county's Internet web site not later than one hundred six (106) days before the date on which application for judgment and order for sale is made.

(Formerly: Acts 1975, P.L.195, SEC.5.) As amended by Acts 1981, P.L.11, SEC.25; P.L.87-1987, SEC.6; P.L.55-1988, SEC.12; P.L.60-1988, SEC.10; P.L.83-1989, SEC.8; P.L.50-1990, SEC.6; P.L.118-2013, SEC.5; P.L.203-2013, SEC.6.

IC 6-1.1-24-4.6
Corrected delinquency list; county auditor affidavit; application for judgment and application for sale as cause of action; defenses

Sec. 4.6. (a) On the day on which the application for judgment and order for sale is made, the county treasurer shall report to the county auditor all of the tracts and real property listed in the notice required by section 2 of this chapter upon which all delinquent taxes and special assessments, all penalties due on the delinquencies, any unpaid costs due from a prior tax sale, and the amount due under section 2(a)(3)(D) of this chapter have been paid up to that time. The county auditor, assisted by the county treasurer, shall compare and correct the list, removing tracts and real property for which all delinquencies have been paid, and shall make and subscribe an affidavit in substantially the following form:

State of Indiana)
) ss
County of _____)

I, _____, treasurer of the county of _____, and I, _____, auditor of the county of _____, do solemnly affirm that the foregoing is a true and correct list of the real property within the county of _____ upon which have remained delinquent uncollected taxes, special assessments, penalties

and costs, as required by law for the time periods set forth, to the best of my knowledge and belief.

_____
County Treasurer

_____
County Auditor

Dated _____

I, _____, auditor of the county of _____, do solemnly affirm that notice of the application for judgment and order for sale was mailed via certified mail to the owners on the foregoing list, and publication made, as required by law.

_____
County Auditor

Dated _____

(b) Application for judgment and order for sale shall be made as one (1) cause of action to any court of competent jurisdiction jointly by the county treasurer and county auditor. The application shall include the names of at least one (1) of the owners of each tract or item of real property, the dates of mailing of the notice required by sections 2 and 2.2 of this chapter, the dates of publication required by section 3 of this chapter, and the affidavit and corrected list as provided in subsection (a).

(c) Any defense to the application for judgment and order of sale shall be filed with the court on or before the earliest date on which the application may be made as set forth in the notice required under section 2 of this chapter. The county auditor and the county treasurer for the county where the real property is located are entitled to receive all pleadings, motions, petitions, and other filings related to a defense to the application for judgment and order of sale.

As added by P.L.83-1989, SEC.9. Amended by P.L.50-1990, SEC.7; P.L.39-1994, SEC.7; P.L.169-2006, SEC.19; P.L.89-2007, SEC.3.

IC 6-1.1-24-4.7

Judgment and order of sale; defense; form of judgment and order; jurisdiction; official irregularities

Sec. 4.7. (a) No later than fifteen (15) days before the advertised date of the tax sale, the court shall examine the list of tracts and real property as provided under section 4.6 of this chapter. No later than three (3) days before the advertised date of the tax sale, the court shall enter judgment for those taxes, special assessments, penalties, and costs that appear to be due. This judgment is considered as a judgment against each tract or item of real property for each kind of tax, special assessment, penalty, or cost included in it. The affidavit provided under section 4.6 of this chapter is prima facie evidence of delinquency for purposes of proceedings under this section. The court shall also direct the clerk to prepare and enter an order for the sale of those tracts and real property against which judgment is entered.

(b) Not later than seven (7) days before the advertised date of the tax sale, the court shall conduct a hearing. At the hearing, the court

shall hear any defense offered by any person interested in any of the tracts or items of real property to the entry of judgment against them, hear and determine the matter in a summary manner, without pleadings, and enter its judgment. The court shall enter a judgment under this subsection not later than three (3) days before the advertised date of the tax sale. The objection must be in writing, and no person may offer any defense unless the writing specifying the objection is accompanied by an original or a duplicate tax receipt or other supporting documentation. At least seven (7) days before the date set for the hearing, notice of the date, time, and place of the hearing shall be provided by the court to any person filing a defense to the application for judgment and order of sale.

(c) If judgment is entered in favor of the respondent under these proceedings or if judgment is not entered for any particular tract, part of a tract, or items of real property because of an unresolved objection made under subsection (b), the court shall remove those tracts, parts of tracts, or items of real property from the list of tracts and real property provided under section 4.6 of this chapter.

(d) A judgment and order for sale shall contain the final listing of affected properties and the name of at least one (1) of the owners of each tract or item of real property, and shall substantially follow this form:

> "Whereas, notice has been given of the intended application for a judgment against these tracts and real property, and no sufficient defense has been made or cause has been shown why judgment should not be entered against these tracts for taxes, and real property special assessments, penalties, and costs due and unpaid on them, therefore it is considered by the court that judgment is hereby entered against the below listed tracts and real property in favor of the state of Indiana for the amount of taxes, special assessments, penalties, and costs due severally on them; and it is ordered by the court that the several tracts or items of real property be sold as the law directs. Payments for taxes, special assessments, penalties, and costs made after this judgment but before the sale shall reduce the judgment accordingly.".

(e) The order of the court constitutes the list of tracts and real property that shall be offered for sale under section 5 of this chapter.

(f) The court that enters judgment under this section shall retain exclusive continuing supervisory jurisdiction over all matters and claims relating to the tax sale.

(g) No error or informality in the proceedings of any of the officers connected with the assessment, levying, or collection of the taxes that does not affect the substantial justice of the tax itself shall invalidate or in any manner affect the tax or the assessment, levying, or collection of the tax.

(h) Any irregularity, informality, omission, or defective act of one (1) or more officers connected with the assessment or levying of the taxes may be, in the discretion of the court, corrected, supplied, and made to conform to law by the court, or by the officer (in the

presence of the court).
As added by P.L.83-1989, SEC.10. Amended by P.L.50-1990, SEC.8; P.L.39-1994, SEC.8; P.L.169-2006, SEC.20.

IC 6-1.1-24-5
Conduct of sale; parcels subject to sale; minimum sale price; sale of vacant or abandoned property; sale by electronic means

Sec. 5. (a) When a tract or an item of real property is subject to sale under this chapter, it must be sold in compliance with this section.

(b) The sale must:

(1) be held at the times and place stated in the notice of sale; and

(2) not extend beyond one hundred seventy-one (171) days after the list containing the tract or item of real property is certified to the county auditor.

(c) A tract or an item of real property may not be sold under this chapter to collect:

(1) delinquent personal property taxes; or

(2) taxes or special assessments which are chargeable to other real property.

(d) A tract or an item of real property may not be sold under this chapter if all the delinquent taxes, penalties, and special assessments on the tract or an item of real property and the amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale, are paid before the time of sale.

(e) The county treasurer shall sell the tract or item of real property, subject to the right of redemption, to the highest bidder at public auction whose bid is at least the minimum bid specified in subsection (f) or (g), as applicable.

(f) Except as provided in subsection (g), a tract or an item of real property may not be sold for an amount which is less than the sum of:

(1) the delinquent taxes and special assessments on each tract or item of real property;

(2) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, regardless of whether the taxes and special assessments are delinquent;

(3) all penalties which are due on the delinquencies;

(4) the amount prescribed by section 2(a)(3)(D) of this chapter reflecting the costs incurred by the county due to the sale;

(5) any unpaid costs which are due under section 2(b) of this chapter from a prior tax sale; and

(6) other reasonable expenses of collection, including title search expenses, uniform commercial code expenses, and reasonable attorney's fees incurred by the date of the sale.

The amount of penalties due on the delinquencies under subdivision (3) must be adjusted in accordance with IC 6-1.1-37-10.1, if applicable.

(g) If an ordinance adopted under section 15(a) of this chapter is in effect in the county in which a tract or an item of real property is located, the tract or item of real property may not be sold for an amount that is less than the lesser of:

(1) the amount determined under subsection (f); or

(2) seventy-five percent (75%) of the gross assessed value of the tract or item of real property, as determined on the most recent assessment date.

(h) For purposes of the sale, it is not necessary for the county treasurer to first attempt to collect the real property taxes or special assessments out of the personal property of the owner of the tract or real property.

(i) The county auditor shall serve as the clerk of the sale.

(j) Real property certified to the county auditor under section 1(a)(2) of this chapter must be offered for sale in a different phase of the tax sale or on a different day of the tax sale than the phase or day during which other real property is offered for sale.

(k) The public auction required under subsection (e) may be conducted by electronic means, at the option of the county treasurer. The electronic sale must comply with the other statutory requirements of this section. If an electronic sale is conducted under this subsection, the county treasurer shall provide access to the electronic sale by providing computer terminals open to the public at a designated location. A county treasurer who elects to conduct an electronic sale may receive electronic payments and establish rules necessary to secure the payments in a timely fashion. The county treasurer may not add an additional cost of sale charge to a parcel for the purpose of conducting the electronic sale.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.73, SEC.2; P.L.60-1986, SEC.5; P.L.88-1987, SEC.4; P.L.60-1988, SEC.11; P.L.83-1989, SEC.11; P.L.50-1990, SEC.9; P.L.68-1993, SEC.5; P.L.39-1994, SEC.9; P.L.139-2001, SEC.5; P.L.169-2006, SEC.21; P.L.89-2007, SEC.4; P.L.56-2012, SEC.4.

IC 6-1.1-24-5.1
Registration to bid

Effective 7-1-2015.

Sec. 5.1. A business entity that seeks to register to bid at a tax sale must provide a certificate of good standing or authority from the secretary of state to the county treasurer.

As added by P.L.66-2014, SEC.9.

IC 6-1.1-24-5.2
Repealed

(Repealed by P.L.1-2002, SEC.172.)

IC 6-1.1-24-5.3
Persons barred from purchasing tracts offered for sale; signed statement required; forfeiture

Sec. 5.3. (a) This section applies to the following:

(1) A person who:

(A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises in the county in which a sale is held under this chapter; and

(B) is subject to an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5) regarding which the conditions set forth in IC 36-7-9-10(a)(1) through IC 36-7-9-10(a)(4) exist.

(2) A person who:

(A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises in the county in which a sale is held under this chapter; and

(B) is subject to an order issued under IC 36-7-9-5(a), other than an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5), regarding which the conditions set forth in IC 36-7-9-10(b)(1) through IC 36-7-9-10(b)(4) exist.

(3) A person who is the defendant in a court action brought under IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or IC 36-7-9-22 in the county in which a sale is held under this chapter that has resulted in a judgment in favor of the plaintiff and the unsafe condition that caused the action to be brought has not been corrected.

(4) A person who has any of the following relationships to a person, partnership, corporation, or legal entity described in subdivisions (1), (2), or (3);

(A) A partner of a partnership.

(B) An officer or majority stockholder of a corporation.

(C) The person who directs the activities or has a majority ownership in a legal entity other than a partnership or corporation.

(5) A person who, in the county in which a sale is held under this chapter, owes:

(A) delinquent taxes;

(B) special assessments;

(C) penalties;

(D) interest; or

(E) costs directly attributable to a prior tax sale;

on a tract or an item of real property listed under section 1 of this chapter.

(6) A person who owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in a vacant or abandoned structure subject to an enforcement order under IC 32-30-6, IC 32-30-7, IC 32-30-8, or IC 36-7-9.

(7) A person who is an agent of the person described in this subsection.

(b) A person subject to this section may not purchase a tract offered for sale under section 5 or 6.1 of this chapter. However, this

section does not prohibit a person from bidding on a tract that is owned by the person and offered for sale under section 5 of this chapter.

(c) The county treasurer shall require each person who will be bidding at the tax sale to sign a statement in a form substantially similar to the following:

> "Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale, from purchasing tracts or items of real property at a tax sale. I hereby affirm under the penalties for perjury that I do not owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to a prior tax sale, amounts from a final adjudication in favor of a political subdivision in this county, any civil penalties imposed for the violation of a building code or ordinance of this county, or any civil penalties imposed by a health department in this county. Further, I hereby acknowledge that any successful bid I make in violation of this statement is subject to forfeiture. In the event of forfeiture, the amount of my bid shall be applied to the delinquent taxes, special assessments, penalties, interest, costs, judgments, or civil penalties I owe, and a certificate will be issued to the county executive.".

(d) If a person purchases a tract that the person was not eligible to purchase under this section, the sale of the property is subject to forfeiture. If the county treasurer determines or is notified not more than six (6) months after the date of the sale that the sale of the property should be forfeited, the county treasurer shall:

> (1) notify the person in writing that the sale is subject to forfeiture if the person does not pay the amounts that the person owes within thirty (30) days of the notice;
>
> (2) if the person does not pay the amounts that the person owes within thirty (30) days after the notice, apply the surplus amount of the person's bid to the person's delinquent taxes, special assessments, penalties, and interest;
>
> (3) remit the amounts owed from a final adjudication or civil penalties in favor of a political subdivision to the appropriate political subdivision; and
>
> (4) notify the county auditor that the sale has been forfeited.

Upon being notified that a sale has been forfeited, the county auditor shall issue a certificate to the county executive under section 6 of this chapter.

(e) A county treasurer may decline to forfeit a sale under this section because of inadvertence or mistake, lack of actual knowledge by the bidder, substantial harm to other parties with interests in the tract or item of real property, or other substantial reasons. If the treasurer declines to forfeit a sale, the treasurer shall:

> (1) prepare a written statement explaining the reasons for declining to forfeit the sale; and
>
> (2) retain the written statement as an official record.

(f) If a sale is forfeited under this section and the tract or item of

real property is redeemed from the sale, the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption, the county executive shall surrender the certificate to the county auditor.

As added by P.L.98-2000, SEC.4. Amended by P.L.1-2002, SEC.24; P.L.169-2006, SEC.22; P.L.88-2009, SEC.1.

IC 6-1.1-24-5.4

Foreign business associations; eligibility requirements to bid or purchase real property

Effective 7-1-2015.

Sec. 5.4. (a) This section applies to the following:

(1) A foreign business association that:

(A) has not obtained a certificate of authority from, or registered with, the secretary of state in accordance with the procedures described in IC 23, as applicable; or

(B) has obtained a certificate of authority from, or registered with, the secretary of state in accordance with the procedures described in IC 23, as applicable, but is not in good standing in Indiana as determined by the secretary of state.

(2) A person who is an agent of a person described in this subsection.

(b) As used in this section, "foreign business association" means a corporation, professional corporation, nonprofit corporation, limited liability company, partnership, or limited partnership that is organized under the laws of another state or another country.

(c) A person subject to this section may not purchase a tract offered for sale under section 5 or 6.1 of this chapter. However, this section does not prohibit a person from bidding on a tract that is owned by the person and offered for sale under section 5 of this chapter.

(d) If a person purchases a tract that the person was not eligible to purchase under this section, the sale of the property is subject to forfeiture. If the county treasurer determines or is notified not more than six (6) months after the date of the sale that the sale of the property should be forfeited under this section, the county treasurer shall:

(1) notify the person in writing that the sale is subject to forfeiture within thirty (30) days of the notice if:

(A) the person does not obtain a certificate of authority, or register with, the secretary of state in accordance with the procedures described in IC 23, as applicable; or

(B) the person does not otherwise cure the noncompliance that is the basis of the person's failure to be in good standing in Indiana as determined by the secretary of state;

(2) if the person does not meet the conditions described in subdivision (1) within thirty (30) days after the notice, refund the surplus amount of the person's bid to the person; and

(3) notify the county auditor that the sale has been forfeited.

Upon being notified that a sale has been forfeited, the county auditor shall issue a certificate to the county executive under section 6 of this chapter.

(e) A county treasurer may decline to forfeit a sale under this section because of inadvertence or mistake, lack of actual knowledge by the bidder, substantial harm to other parties with interests in the tract or item of real property, or other substantial reasons. If the treasurer declines to forfeit a sale, the treasurer shall:

(1) prepare a written statement explaining the reasons for declining to forfeit the sale; and

(2) retain the written statement as an official record.

(f) If a sale is forfeited under this section and the tract or item of real property is redeemed from the sale, the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption, the county executive shall surrender the certificate to the county auditor.

As added by P.L.66-2014, SEC.10.

IC 6-1.1-24-5.5
Repealed

(Repealed by P.L.169-2006, SEC.83.)

IC 6-1.1-24-5.6
Repealed

(Repealed by P.L.1-2002, SEC.172.)

IC 6-1.1-24-6
Lien by county; tax sale certificate

Sec. 6. (a) When a tract or an item of real property is offered for sale under this chapter and an amount is not received equal to or in excess of the minimum sale price prescribed in section 5 of this chapter, the county executive acquires a lien in the amount of the minimum sale price. This lien attaches on the day after the last date on which the tract or item was offered for sale.

(b) When a county executive acquires a lien under this section, the county auditor shall issue a tax sale certificate to the county executive in the manner provided in section 9 of this chapter. The county auditor shall date the certificate the day that the county executive acquires the lien. When a county executive acquires a certificate under this section, the county executive has the same rights as a purchaser.

(c) When a lien is acquired by a county executive under this section, no money shall be paid by the county executive. However, each of the taxing units having an interest in the taxes on the tract shall be charged with the full amount of all delinquent taxes due them.

(d) This subsection applies after June 30, 2013. Whenever a county executive acquires a lien under this section, the county auditor shall provide a list of the liens held by the county to the

executive of a city or town who requests the list or post the list on the county's Internet web site not later than thirty (30) days after the tax sale.

(e) This section shall apply to any tract or an item of real property offered for sale under this chapter in 2006, and an amount was not received equal to or in excess of the minimum sale price prescribed in section 5 of this chapter, if the county executive finds that the tract or item of real property meets the definition of a brownfield as set forth in IC 13-11-2-19.3.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.60-1988, SEC.12; P.L.50-1990, SEC.10; P.L.39-1994, SEC.11; P.L.170-2003, SEC.2; P.L.169-2006, SEC.23; P.L.89-2007, SEC.5; P.L.56-2012, SEC.5; P.L.203-2013, SEC.7.

IC 6-1.1-24-6.1

Public sale by county executive of certificates of sale; notice

Sec. 6.1. (a) The county executive may do the following:

(1) By resolution, identify properties:

(A) that are described in section 6.7(a) or 6.9(a) of this chapter; and

(B) concerning which the county executive desires to offer to the public the certificates of sale acquired by the county executive under section 6 of this chapter.

(2) In conformity with IC 5-3-1-4, publish:

(A) notice of the date, time, and place for a public sale; and

(B) a listing of parcels on which certificates will be offered by parcel number and minimum bid amount;

once each week for three (3) consecutive weeks, with the final advertisement being not less than thirty (30) days before the sale date. The expenses of the publication shall be paid out of the county general fund.

(3) Sell each certificate of sale covered by the resolution for a price that:

(A) is less than the minimum sale price prescribed by section 5 of this chapter; and

(B) includes any costs to the county executive directly attributable to the sale of the certificate of sale.

(b) Notice of the list of properties prepared under subsection (a) and the date, time, and place for the public sale of the certificates of sale shall be published in accordance with IC 5-3-1. The notice must:

(1) include a description of the property by parcel number and common address;

(2) specify that the county executive will accept bids for the certificates of sale for the price referred to in subsection (a)(3);

(3) specify the minimum bid for each parcel;

(4) include a statement that a person redeeming each tract or item of real property after the sale of the certificate must pay:

(A) the amount of the minimum bid under section 5 of this chapter for which the tract or item of real property was last offered for sale;

(B) ten percent (10%) of the amount for which the certificate is sold;

(C) the attorney's fees and costs of giving notice under IC 6-1.1-25-4.5;

(D) the costs of a title search or of examining and updating the abstract of title for the tract or item of real property;

(E) all taxes and special assessments on the tract or item of real property paid by the purchaser after the sale of the certificate plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property; and

(F) all costs of sale, advertising costs, and other expenses of the county directly attributable to the sale of certificates of sale; and

(5) include a statement that, if the certificate is sold for an amount more than the minimum bid under section 5 of this chapter for which the tract or item of real property was last offered for sale and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

As added by P.L.170-2003, SEC.3. Amended by P.L.169-2006, SEC.24; P.L.89-2007, SEC.6; P.L.73-2010, SEC.2; P.L.56-2012, SEC.6; P.L.203-2013, SEC.8.

IC 6-1.1-24-6.2

Transfer of property to the city or town in which the property is located

Sec. 6.2. (a) This section applies to real property located within the municipal boundaries of a city or town.

(b) Before the transfer of real property under section 6.7 of this chapter, the sale of real property under section 6.8 of this chapter, or the transfer of real property under section 6.9 of this chapter, the county executive of the county in which the real property is located shall notify the executive of the city or town in which the real property is located of the opportunity to accept a transfer of the property to the city or town as negotiated between the city or town and the county.

(c) After receiving notice from a county executive under subsection (b), the executive of the city or town shall respond to the notice not later than twenty (20) days after the executive receives the notice.

As added by P.L.203-2013, SEC.9.

IC 6-1.1-24-6.3

Conditions of sale of certificates of sale

Sec. 6.3. (a) The sale of certificates of sale under this chapter must be held at the time and place stated in the notice of sale.

(b) A certificate of sale may not be sold under this chapter if the following are paid before the time of sale:

(1) All the delinquent taxes, penalties, and special assessments on the tract or an item of real property.

(2) The amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale.

(c) The county executive shall sell the certificate of sale, subject to the right of redemption, to the highest bidder at public auction. The public auction may be conducted as an electronic sale in conformity with section 5(k) of this chapter.

(d) The county auditor shall serve as the clerk of the sale.

As added by P.L.170-2003, SEC.4. Amended by P.L.169-2006, SEC.25; P.L.89-2007, SEC.7; P.L.56-2012, SEC.7.

IC 6-1.1-24-6.4

Distribution of proceeds of sale of certificates of sale; tax sale surplus fund; county auditor duty on assignment of certificate

Sec. 6.4. (a) When a certificate of sale is sold under this chapter, the purchaser at the sale shall immediately pay the amount of the bid to the county treasurer. The county treasurer shall apply the payment in the following manner:

(1) First, to the taxes, special assessments, penalties, and costs described in section 5(f) of this chapter.

(2) Second, to other delinquent property taxes in the manner provided in IC 6-1.1-23-5(b).

(3) Third, to a separate "tax sale surplus fund".

(b) The:

(1) owner of record of the real property at the time the tax deed is issued who is divested of ownership by the issuance of a tax deed; or

(2) purchaser of the certificate or the purchaser's assignee, upon redemption of the tract or item of real property;

may file a verified claim for money that is deposited in the tax sale surplus fund. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to the claimant for the amount due.

(c) An amount deposited in the tax sale surplus fund shall be transferred by the county auditor to the county general fund and may not be disbursed under subsection (b) if it is claimed more than three (3) years after the date of its receipt.

(d) Upon the assignment of the certificate of sale to the purchaser, the county auditor shall indicate on the certificate the amount for which the certificate of sale was sold.

As added by P.L.170-2003, SEC.5. Amended by P.L.56-2012, SEC.8.

IC 6-1.1-24-6.5

Repealed

(Repealed by P.L.169-2006, SEC.83.)

IC 6-1.1-24-6.6

Repealed

(Repealed by P.L.1-2002, SEC.172.)

IC 6-1.1-24-6.7

List of properties; proposed transfer of properties; hearing; resolution by county commissioners; receipt of property by nonprofit corporation; deeds

Sec. 6.7. (a) The county executive may:

(1) by resolution, identify the property described under section 6 of this chapter that the county executive desires to transfer to a nonprofit corporation for use for the public good; and

(2) set a date, time, and place for a public hearing to consider the transfer of the property to a nonprofit corporation.

(b) Notice of the property identified under subsection (a) and the date, time, and place for the hearing on the proposed transfer of the property on the list shall be published in accordance with IC 5-3-1. The notice must include a description of the property by:

(1) legal description; and

(2) parcel number or street address, or both.

The notice must specify that the county executive will accept applications submitted by nonprofit corporations as provided in subsection (d) and hear any opposition to a proposed transfer.

(c) After the hearing set under subsection (a), the county executive shall by resolution make a final determination concerning:

(1) the properties that are to be transferred to a nonprofit corporation;

(2) the nonprofit corporation to which each property is to be transferred; and

(3) the terms and conditions of the transfer.

(d) To be eligible to receive property under this section, a nonprofit corporation must file an application with the county executive. The application must state the property that the corporation desires to acquire, the use to be made of the property, and the time period anticipated for implementation of the use. The application must be accompanied by documentation verifying the nonprofit status of the corporation and be signed by an officer of the corporation. If more than one (1) application for a single property is filed, the county executive shall determine which application is to be accepted based on the benefit to be provided to the public and the neighborhood and the suitability of the stated use for the property and the surrounding area.

(e) After the hearing set under subsection (a) and the final determination of properties to be transferred under subsection (c), the county executive, on behalf of the county, shall cause all delinquent taxes, special assessments, penalties, interest, and costs of sale to be removed from the tax duplicate and the nonprofit corporation is entitled to a tax deed prepared by the county auditor, if the conditions of IC 6-1.1-25-4.5 and IC 6-1.1-25-4.6 are satisfied. The deed shall provide for:

(1) the use to be made of the property;

(2) the time within which the use must be implemented and maintained;

(3) any other terms and conditions that are established by the county executive; and

(4) the reversion of the property to the county executive if the grantee nonprofit corporation fails to comply with the terms and conditions.

If the grantee nonprofit corporation fails to comply with the terms and conditions of the transfer and title to the property reverts to the county executive, the property may be retained by the county executive or disposed of under any of the provisions of this chapter or IC 6-1.1-25, or both.

As added by P.L.39-1994, SEC.13. Amended by P.L.169-2006, SEC.26; P.L.1-2007, SEC.49; P.L.203-2013, SEC.10.

IC 6-1.1-24-6.8

Transfer of parcels and certificates of sale to adjacent homeowners

Sec. 6.8. (a) For purposes of this section, in a county containing a consolidated city "county executive" refers to the board of commissioners of the county as provided in IC 36-3-3-10.

(b) As used in this section, "vacant parcel" refers to a parcel that satisfies the following:

(1) A lien has been acquired on the parcel under section 6(a) of this chapter.

(2) If the parcel is improved on the date the certificate of sale for the parcel or the vacant parcel is offered for sale under this chapter, the following apply:

(A) One (1) or more of the following are located on the parcel:

(i) A structure that may be lawfully occupied for residential use.

(ii) A structure used in conjunction with a structure that may be lawfully occupied for residential use.

(B) The parcel is:

(i) on the list of vacant or abandoned properties designated under section 1(a)(2) of this chapter; or

(ii) not occupied by a tenant or a person having a substantial property interest of public record in the parcel.

(3) On the date the certificate of sale for the parcel or the vacant parcel is offered for sale under this chapter, the parcel is contiguous to one (1) or more parcels that satisfy the following:

(A) One (1) or more of the following are located on the contiguous parcel:

(i) A structure occupied for residential use.

(ii) A structure used in conjunction with a structure occupied for residential use.

(B) The contiguous parcel is eligible for the standard deduction under IC 6-1.1-12-37.

(c) A county legislative body may adopt an ordinance authorizing the sale of vacant parcels and certificates of sale for vacant parcels in the county under this section. The ordinance may establish criteria for the identification of vacant parcels and certificates of sale for

vacant parcels to be offered for sale under this section. The criteria may include the following:

(1) Limitations on the use of the parcel under local zoning and land use requirements.

(2) If the parcel is unimproved, the minimum parcel area sufficient for construction of improvements.

(3) Any other factor considered appropriate by the county legislative body.

In a county containing a consolidated city, the county legislative body may adopt an ordinance under this subsection only upon recommendation by the board of commissioners provided in IC 36-3-3-10.

(d) If the county legislative body adopts an ordinance under subsection (c), the county executive shall for each sale under this section:

(1) by resolution, and subject to the criteria adopted by the county legislative body under subsection (c), identify each vacant parcel for which the county executive desires to sell the vacant parcel or the certificate of sale for the vacant parcel under this section; and

(2) subject to subsection (e), give written notice to the owner of record of each parcel referred to in subsection (b)(3) that is contiguous to the vacant parcel.

(e) The notice under subsection (d)(2) with respect to each vacant parcel must include at least the following:

(1) A description of the vacant parcel by:

(A) legal description; and

(B) parcel number or street address, or both.

(2) Notice that the county executive will accept written applications from owners of parcels described in subsection (b)(3) as provided in subsection (f).

(3) Notice of the deadline for applications referred to in subdivision (2) and of the information to be included in the applications.

(4) Notice that the vacant parcel or certificate of sale for the vacant parcel will be sold to the successful applicant for:

(A) one dollar ($1); plus

(B) the amounts described in section 5(f)(4) through 5(f)(6) of this chapter.

(f) To be eligible to purchase a vacant parcel or the certificate of sale for a vacant parcel under this section, the owner of a contiguous parcel referred to in subsection (b)(3) must file a written application with the county executive. The application must:

(1) identify the vacant parcel or certificate of sale that the applicant desires to purchase; and

(2) include any other information required by the county executive.

(g) If more than one (1) application to purchase a single vacant parcel or the certificate of sale for a single vacant parcel is filed with the county executive, the county executive shall conduct a drawing

between or among the applicants in which each applicant has an equal chance to be selected as the transferee of the vacant parcel or certificate of sale for the vacant parcel.

(h) The county executive shall by resolution make a final determination concerning the vacant parcels or certificates of sale for vacant parcels that are to be sold under this section.

(i) After the final determination of the vacant parcels and certificates of sale for vacant parcels to be sold under subsection (h), the county executive shall:

(1) on behalf of the county, cause all delinquent taxes, special assessments, penalties, and interest with respect to the vacant parcels to be removed from the tax duplicate; and

(2) give notice of the final determination to:

(A) the successful applicant;

(B) the county auditor; and

(C) the township assessor, or the county assessor if there is no township assessor for the township.

(j) Upon receipt of notice under subsection (i)(2):

(1) the county auditor shall:

(A) collect the purchase price from each successful applicant; and

(B) subject to subsection (k), prepare a tax deed transferring each vacant parcel to the successful applicant, if the conditions of IC 6-1.1-25-4.5 and IC 6-1.1-25-4.6 are satisfied; and

(2) if the vacant parcel is unimproved, the township assessor or county assessor shall consolidate each unimproved parcel sold and the contiguous parcel owned by the successful applicant into a single parcel.

(k) For a deed issued under subsection (j)(1)(B) before July 1, 2013, a county auditor shall include in the deed prepared under subsection (j)(1)(B) reference to the exemption under subsection (l).

(l) This subsection applies only to a vacant parcel consolidated with a successful applicant's contiguous parcel under this section before July 1, 2013. Subject to subsection (m), each consolidated parcel to which this subsection applies is exempt from property taxation for the period beginning on the assessment date that next succeeds the consolidation in the amount of the assessed value at the time of consolidation of the vacant parcel that was subject to the consolidation.

(m) This subsection applies only to a vacant parcel consolidated with a successful applicant's contiguous parcel under this section before July 1, 2013. The exemption under subsection (l) is terminated as of the assessment date that next succeeds the earlier of the following:

(1) Five (5) years after the transfer of title to the successful applicant.

(2) The first transfer of title to the consolidated parcel that occurs after the consolidation.

(n) If a tax deed is issued for an improved vacant parcel after June

30, 2013, under this section or under IC 6-1.1-25-4.6 following the purchase of a certificate of sale under this section, the successful applicant may not sell the improved vacant parcel until after the first anniversary of the date on which the tax deed for the improved vacant parcel is issued to the successful applicant.

As added by P.L.98-2010, SEC.2. Amended by P.L.118-2013, SEC.6; P.L.203-2013, SEC.11.

IC 6-1.1-24-6.9

Transfer of property to a person able to repair and maintain the property

Sec. 6.9. (a) For purposes of this section, in a county having a consolidated city, "county executive" refers to the board of commissioners of the county as provided in IC 36-3-3-10.

(b) The county executive may:

(1) by resolution, identify the property described in section 6 of this chapter that the county executive desires to transfer to a person able to satisfactorily repair and maintain the property, if repair and maintenance of the property are in the public interest; and

(2) set a date, time, and place for a public hearing to consider the transfer of the property.

(c) Notice of the property identified under subsection (b) and the date, time, and place for the hearing on the proposed transfer of the property shall be published in accordance with IC 5-3-1. The notice must include a description of the property by:

(1) legal description; and

(2) parcel number or street address, or both.

The notice must specify that the county executive will accept applications submitted by persons able to satisfactorily repair and maintain the property as provided in subsection (e) and hear any opposition to a proposed transfer.

(d) After the hearing set under subsection (b), the county executive shall by resolution make a final determination concerning:

(1) the properties that are to be transferred;

(2) the person to which each property is to be transferred; and

(3) the terms and conditions of the transfer.

(e) To be eligible to receive a property under this section, a person must file an application with the county executive. The application must identify the property that the person desires to acquire, the use to be made of the property, and the time anticipated for implementation of the use. The application must be accompanied by documentation demonstrating the person's ability to satisfactorily repair and maintain the property, including evidence of the person's:

(1) ability to repair and maintain the property personally, if applicable;

(2) financial resources, if the services of a contractor may be required to satisfactorily repair or maintain the property; and

(3) previous experience in repairing or maintaining property, if applicable.

The application must be signed by the person. If more than one (1) application for a single property is filed, the county executive shall determine which application is to be accepted based on the benefit to be provided to the public and the neighborhood, the suitability of the stated use for the property and the surrounding area, and the likelihood that the person will satisfactorily repair and maintain the property. The county executive may require the person to pay a reasonable deposit or post a performance bond to be forfeited if the person does not satisfactorily repair and maintain the property.

(f) After the hearing set under subsection (b) and the final determination of the properties to be transferred under subsection (d), the county executive, on behalf of the county, shall cause all delinquent taxes, special assessments, penalties, interest, and costs of sale to be removed from the tax duplicate and the person is entitled to a tax deed if the conditions of IC 6-1.1-25-4.5 and IC 6-1.1-25-4.6 are satisfied. The deed must provide for:

(1) the use to be made of the property;

(2) the time within which the use must be implemented and maintained;

(3) any other terms and conditions that are established by the county executive;

(4) the reversion of the property to the county executive if the grantee fails to comply with the terms and conditions; and

(5) the forfeiture of any bond or deposit to the county executive if the grantee fails to comply with the terms and conditions.

If the grantee fails to comply with the terms and conditions of the transfer and title to the property reverts to the county executive, the property may be retained by the county executive or disposed of under any of the provisions of this chapter or IC 6-1.1-25, or both.
As added by P.L.203-2013, SEC.12.

IC 6-1.1-24-7
Payment of sale price; application of payment; tax sale surplus fund; claims procedure; fund transfers; invalidity of sale

Sec. 7. (a) When real property is sold under this chapter, the purchaser at the sale shall immediately pay the amount of the bid to the county treasurer. The county treasurer shall apply the payment in the following manner:

(1) first, to the taxes, special assessments, penalties, and costs described in section 5(f) of this chapter;

(2) second, to other delinquent property taxes in the manner provided in IC 6-1.1-23-5(b); and

(3) third, to a separate "tax sale surplus fund".

(b) If:

(1) a tract or an item of real property sold under section 5 of this chapter is located in a county in which an ordinance adopted under section 15 of this chapter is in effect in the county; and

(2) the sales price of the tract or item of real property is less than the amount specified in section 5(f) of this chapter;

in addition to the application of any payment received under

subsection (a)(1), each taxing unit having an interest in the taxes on the tract shall be charged with the part of the tax due to the taxing unit equal to an amount that bears the same relationship to the tax due to the taxing unit as the amount determined under section 5(f) of this chapter minus the selling price bears to the amount determined under section 5(f) of this chapter.

(c) The:

(1) owner of record of the real property at the time the tax deed is issued who is divested of ownership by the issuance of a tax deed; or

(2) tax sale purchaser or purchaser's assignee, upon redemption of the tract or item of real property;

may file a verified claim for money which is deposited in the tax sale surplus fund. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to the claimant for the amount due.

(d) If the person who claims money deposited in the tax sale surplus fund under subsection (c) is:

(1) a person described in subsection (c)(1) who acquired the property from a delinquent taxpayer after the property was sold at a tax sale under this chapter; or

(2) a person not described in subsection (c)(1), including a person who acts under a power of attorney executed by the person described in subsection (c)(1);

the county auditor may issue a warrant to the person only as directed by the court having jurisdiction over the tax sale of the parcel for which the surplus claim is made.

(e) A court may direct the issuance of a warrant only:

(1) on petition by the claimant; and

(2) within three (3) years after the date of sale of the parcel in the tax sale.

(f) An amount deposited in the tax sale surplus fund shall be transferred by the county auditor to the county general fund and may not be disbursed under subsection (c) if it is not claimed within the three (3) year period after the date of its receipt.

(g) If an amount applied to taxes under this section is later paid out of the county general fund to the purchaser or the purchaser's successor due to the invalidity of the sale, all the taxes shall be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale.

(h) When a refund is made to any purchaser or purchaser's successor by reason of the invalidity of a sale, the county auditor shall, at the December settlement immediately following the refund, deduct the amount of the refund from the gross collections in the taxing district in which the land lies and shall pay that amount into the county general fund.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1990, SEC.11; P.L.88-1995, SEC.2; P.L.56-1996, SEC.5; P.L.139-2001, SEC.6; P.L.1-2003, SEC.28; P.L.97-2004, SEC.22; P.L.73-2010, SEC.3; P.L.56-2012, SEC.9.

IC 6-1.1-24-7.5
Limitations on agreements for recovery of money deposited in the tax sale surplus fund

Sec. 7.5. (a) For purposes of this section, "property owner" refers to the owner of record of real property at the time the tax deed is issued and who is divested of ownership by the issuance of the tax deed.

(b) If a property owner enters into an agreement on or after May 1, 2010, that has the primary purpose of paying compensation to locate, deliver, recover, or assist in the recovery of money deposited in the tax sale surplus fund under section 7(a)(3) of this chapter with respect to real property as a result of a tax sale, the agreement is valid only if the agreement:

(1) requires payment of compensation of not more than ten percent (10%) of the amount collected from the tax sale surplus fund with respect to the real property, unless the amount collected is fifty dollars ($50) or less;
(2) is in writing;
(3) is signed by the property owner; and
(4) clearly sets forth:
(A) the amount deposited in the tax sale surplus fund under section 7(a)(3) of this chapter with respect to the real property; and
(B) the value of the property owner's share of the amount collected from the tax sale surplus fund with respect to the real property after the compensation is deducted.

As added by P.L.73-2010, SEC.4.

IC 6-1.1-24-8
Failure to pay bid; effect

Sec. 8. When one who purchases real property at a tax sale fails to pay the bid, the real property shall again be offered for sale. A purchaser who fails to pay the bid shall pay a civil penalty of twenty-five percent (25%) of the amount of the bid. The county prosecuting attorney shall initiate an action in the name of the state treasurer to recover the civil penalty. Amounts collected under this section shall be deposited in the county general fund.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.7; P.L.89-2007, SEC.8.

IC 6-1.1-24-9
Certificate of sale; contents; purchaser's lien; assignments

Sec. 9. (a) Immediately after a tax sale purchaser pays the bid, as evidenced by the receipt of the county treasurer, or immediately after the county acquires a lien under section 6 of this chapter, the county auditor shall deliver a certificate of sale to the purchaser or to the county or to the city. The certificate shall be signed by the auditor and registered in the auditor's office. The certificate shall contain:

(1) a description of real property that corresponds to the description used on the notice of sale;

(2) the name of:

(A) the owner of record at the time of the sale of real property with a single owner; or

(B) at least one (1) of the owners of real property with multiple owners;

(3) the mailing address of the owner of the real property sold as indicated in the records of the county auditor;

(4) the name of the purchaser;

(5) the date of sale;

(6) the amount for which the real property was sold;

(7) the amount of the minimum bid for which the tract or real property was offered at the time of sale as required by section 5 of this chapter;

(8) the date when the period of redemption specified in IC 6-1.1-25-4 will expire;

(9) the court cause number under which judgment was obtained; and

(10) the street address, if any, or common description of the real property.

(b) When a certificate of sale is issued under this section, the purchaser acquires a lien against the real property for the entire amount paid. The lien of the purchaser is superior to all liens against the real property which exist at the time the certificate is issued.

(c) A certificate of sale is assignable. However, an assignment is not valid unless it is endorsed on the certificate of sale, acknowledged before an officer authorized to take acknowledgments of deeds, and registered in the office of the county auditor. When a certificate of sale is assigned, the assignee acquires the same rights and obligations that the original purchaser acquired.

(d) Subject to IC 36-1-11-8, the county executive may assign a certificate of sale held in the name of the county executive to any political subdivision during the life of the certificate. If an assignment is made under this subsection, the period of redemption of the real property under IC 6-1.1-25 is one hundred twenty (120) days after the date of the assignment.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.88-1995, SEC.3; P.L.56-1996, SEC.6; P.L.124-1998, SEC.5; P.L.139-2001, SEC.8; P.L.1-2002, SEC.25; P.L.73-2010, SEC.5.

IC 6-1.1-24-10

Guarantee by treasurer

Sec. 10. (a) When a certificate of sale is issued under section 9 of this chapter, the county treasurer shall indorse upon, or attach to, the certificate of sale a written guarantee which is signed by the treasurer and which warrants:

(1) that the taxes and special assessments upon the real property described in the certificate of sale are delinquent and were unpaid at the time of sale; and

(2) that the real property is eligible for sale under this chapter.

(b) If the county treasurer, before the time of making the

guarantee required by this section, received payment of the delinquent taxes or special assessments for which the real property was sold, the holder of the certificate is entitled to the amount due for an invalid sale under IC 6-1.1-25-10.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.9.

IC 6-1.1-24-11
Certificate of sale as presumptive evidence

Sec. 11. (a) A certificate of sale issued under section 9 of this chapter is presumptive evidence of:

(1) the truth of the statements contained in the certificate;

(2) the interest of the purchaser in the real property described in the certificate;

(3) the regularity and validity of all proceedings related to the taxes or special assessments for which the real property was sold; and

(4) the regularity and validity of all proceedings related to the sale of the real property.

(b) After two (2) years from the issuance of a certificate of sale, evidence may not be admitted in any court to rebut a presumption prescribed in subsection (a) of this section unless the certificate of sale was fraudulently procured. After four (4) years from the issuance of the certificate of sale, evidence may not under any circumstances be admitted in any court to rebut such a presumption.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-24-12
Priority of purchaser's lien at subsequent sale

Sec. 12. Whenever real property is sold more than once under this chapter, the purchaser at the later sale acquires a first and prior lien on the real property as against the purchaser at the prior sale. The issuance of a certificate of sale, the execution and delivery of a deed for the real property to the purchaser at the prior sale, or the recording of such a deed does not affect the priority established in this section.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-24-13
Statement of actual costs incurred; placement on tax duplicate of tract not sold

Sec. 13. (a) Whenever:

(1) a tract is offered for sale under this chapter; and

(2) no bid is received for the minimum sale price set under section 5 of this chapter;

the county auditor shall prepare a certified statement of the actual costs incurred by the county described in section 2(a)(3)(D) of this chapter.

(b) The county auditor shall place the amount specified in the certified statement prepared under subsection (a) on the tax duplicate

of the tract offered but not sold at the sale. The amount shall be collected as real property taxes are collected and paid into the county general fund.
As added by P.L.60-1988, SEC.13. Amended by P.L.56-2012, SEC.10.

IC 6-1.1-24-14
Duties regarding conduct of tax sale

Sec. 14. Duties of a county treasurer or county auditor under this chapter that are the responsibility of the respective officer regarding the conduct of a tax sale may not be performed under contract or by a person or entity (except staff persons), unless consented to in writing by the respective officers.
As added by P.L.88-1995, SEC.4.

IC 6-1.1-24-15
County option to lower the minimum sale price

Sec. 15. (a) The fiscal body of a county may adopt an ordinance authorizing the county treasurer to accept a bid on a tract or an item of real property offered for sale under this chapter that is greater than or equal to the lesser of:

(1) the amount determined under section 5(f) of this chapter for the tract or item of real property; or

(2) seventy-five percent (75%) of the gross assessed value of the tract or item of real property, as determined on the most recent assessment date.

(b) If the fiscal body of a county adopts an ordinance under subsection (a) or repeals an ordinance adopted under subsection (a), the fiscal body shall promptly deliver a copy of the ordinance to the county treasurer and the county auditor.
As added by P.L.56-2012, SEC.11.

IC 6-1.1-24-16
Paddle fee

Sec. 16. (a) The county fiscal body may adopt an ordinance requiring every person who wishes to participate in a tax sale as a bidder to pay a paddle fee.

(b) A paddle fee adopted under subsection (a) may not exceed:

(1) twenty-five dollars ($25) for a person who:

(A) attends no more than one (1) tax sale in the county in any calendar year; and

(B) purchases no more than one (1) property or tax sale certificate; or

(2) one hundred dollars ($100).

(c) A person may be required to pay the twenty-five dollar ($25) paddle fee even if the person does not purchase a property or tax sale certificate.

(d) A person who purchases a one hundred dollar ($100) paddle fee is permitted to participate as a bidder in as many tax sales as are offered in the county in the calendar year, and may purchase more

than one (1) property or tax sale certificate.

(e) The treasurer shall deposit the paddle fee in the county general fund not later than thirty (30) days after the conclusion of the tax sale. The proceeds of the paddle fee may be used only to:

(1) defray the expenses of the tax sale; or

(2) reduce the number of vacant and abandoned houses, including rehabilitation, demolition, and foreclosure prevention and counseling.

As added by P.L.66-2014, SEC.11.

IC 6-1.1-25

Chapter 25. Redemption of and Tax Deeds for Real Property Sold for Delinquent Taxes and Special Assessments

IC 6-1.1-25-1

Time for redemption of property

Sec. 1. Any person may redeem the tract or real property:

(1) sold; or

(2) for which the certificate of sale is sold under IC 6-1.1-24;

under IC 6-1.1-24 at any time before the expiration of the period of redemption specified in section 4 of this chapter by paying to the county treasurer the amount required for redemption under section 2 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.60-1988, SEC.14; P.L.139-2001, SEC.10; P.L.170-2003, SEC.6.

IC 6-1.1-25-2

Amount required for redemption

Sec. 2. (a) The total amount of money required for the redemption of real property equals:

(1) the sum of the amounts prescribed in subsections (b) through (f); or

(2) the amount prescribed in subsection (g);

reduced by any amounts held in the name of the taxpayer or the purchaser in the tax sale surplus fund.

(b) Except as provided in subsection (g), the total amount required for redemption includes:

(1) one hundred ten percent (110%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed not more than six (6) months after the date of sale; or

(2) one hundred fifteen percent (115%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if: the tract or item of real property is redeemed more than six (6) months but not more than one (1) year after the date of sale.

(c) Except as provided in subsection (g), in addition to the amount required under subsection (b), the total amount required for redemption includes the amount by which the purchase price exceeds the minimum bid on the real property plus:

(1) five percent (5%) per annum on the amount by which the purchase price exceeds the minimum bid on the property, if the date of sale occurs after June 30, 2014; or

(2) ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid on the property, if the date of sale occurs before July 1, 2014.

(d) Except as provided in subsection (g), in addition to the amount required under subsections (b) and (c), the total amount required for redemption includes all taxes and special assessments upon the

property paid by the purchaser after the sale plus:

(1) five percent (5%) per annum on those taxes and special assessments, if the date of sale occurs after June 30, 2014; or

(2) ten percent (10%) interest per annum on those taxes and special assessments, if the date of sale occurs before July 1, 2014.

(e) Except as provided in subsection (g), in addition to the amounts required under subsections (b), (c), and (d), the total amount required for redemption includes the following costs, if certified before redemption and not earlier than thirty (30) days after the date of sale of the property being redeemed by the payor to the county auditor on a form prescribed by the state board of accounts, that were incurred and paid by the purchaser, the purchaser's assignee, or the county, before redemption:

(1) The attorney's fees and costs of giving notice under section 4.5 of this chapter.

(2) The costs of a title search or of examining and updating the abstract of title for the tract or item of real property.

(f) The total amount required for redemption includes, in addition to the amounts required under subsections (b) and (e), all taxes, special assessments, interest, penalties, and fees on the property that accrued after the sale.

(g) With respect to a tract or item of real property redeemed under section 4(c) of this chapter, instead of the amounts stated in subsections (b) through (f), the total amount required for redemption is the amount determined under IC 6-1.1-24-6.1(b)(4).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.89-1987, SEC.4; P.L.60-1988, SEC.15; P.L.50-1990, SEC.12; P.L.62-1991, SEC.2; P.L.39-1994, SEC.14; P.L.88-1995, SEC.5; P.L.56-1996, SEC.7; P.L.139-2001, SEC.11; P.L.170-2003, SEC.7; P.L.89-2007, SEC.9; P.L.56-2012, SEC.12; P.L.66-2014, SEC.12; P.L.94-2014, SEC.1.

IC 6-1.1-25-2.5

Petition to establish schedule of fees and costs; reimbursement

Sec. 2.5. (a) A county auditor may petition a court issuing judgments and orders for sale in the county under IC 6-1.1-24 to establish a schedule of reasonable and customary attorney's fees and costs that apply to a:

(1) purchaser;

(2) purchaser's assignee; or

(3) purchaser of the certificate of sale under IC 6-1.1-24;

who submits a claim for reimbursement upon redemption.

(b) When a court provides a schedule as described in subsection (a), the county auditor may not reimburse attorney's fees and costs in an amount higher than the attorney's fees and costs provided in the schedule, except as provided in subsection (c).

(c) A:

(1) purchaser;

(2) purchaser's assignee; or

(3) purchaser of the certificate of sale under IC 6-1.1-24;

may petition the court for a higher rate of reimbursement than the rate found on a schedule provided under subsection (a). The court shall grant the petition if the court finds that the claim is based on reasonable and customary attorney's fees and costs.

As added by P.L.88-1995, SEC.6. Amended by P.L.139-2001, SEC.12; P.L.170-2003, SEC.8.

IC 6-1.1-25-3

Redemption warrant

Sec. 3. (a) Except as provided in subsection (b), when real property is redeemed and the certificate of sale is surrendered to the county auditor, the auditor shall issue a warrant to the purchaser or purchaser's assignee in an amount equal to the amount received by the county treasurer for redemption.

(b) When real property sold under IC 6-1.1-24-6.1 is redeemed and the certificate of sale is surrendered to the county auditor, the auditor shall issue a warrant to the purchaser of the certificate of sale or the purchaser’s assignee in an amount equal to:

(1) the amount received by the county treasurer for redemption; minus

(2) if the certificate of sale was sold for less than the minimum bid under IC 6-1.1-24-5, an amount equal to the difference between the minimum bid under IC 6-1.1-24-5 and the amount for which the certificate was sold.

(c) The county auditor shall indorse the certificate and preserve it as a public record. If a certificate of sale is lost and the auditor is satisfied that the certificate did exist, the county auditor may make payment in the manner provided in this section.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.13; P.L.170-2003, SEC.9; P.L.169-2006, SEC.27; P.L.56-2012, SEC.13.

IC 6-1.1-25-4

Period for redemption; actions required on issuance of tax deed; estate granted by tax deed; limitations and exceptions

Sec. 4. (a) The period for redemption of real property sold under IC 6-1.1-24 except for IC 6-1.1-24-1.5 is:

(1) one (1) year after the date of sale; or

(2) one hundred twenty (120) days after the date of sale to a purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1.

(b) Subject to subsection (l) and IC 6-1.1-24-9(d), the period for redemption of real property:

(1) on which the county executive acquires a lien under IC 6-1.1-24-6; and

(2) for which the certificate of sale is not sold under IC 6-1.1-24-6.1;

is one hundred twenty (120) days after the date the county executive acquires the lien under IC 6-1.1-24-6.

(c) The period for redemption of real property:

(1) on which the county executive acquires a lien under IC 6-1.1-24-6; and

(2) for which the certificate of sale is sold under IC 6-1.1-24;

is one hundred twenty (120) days after the date of sale of the certificate of sale under IC 6-1.1-24.

(d) When a deed for real property is executed under this chapter, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5 is not received, the county auditor shall issue a deed to the real property, subject to this chapter.

(e) When a deed is issued to a county executive under this chapter, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(f) A tax deed executed under this chapter vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments which accrue subsequent to the sale and which are not removed under subsection (e). However, subject to subsection (g), the estate is subject to:

(1) all easements, covenants, declarations, and other deed restrictions shown by public records;

(2) laws, ordinances, and regulations concerning governmental police powers, including zoning, building, land use, improvements on the land, land division, and environmental protection; and

(3) liens and encumbrances created or suffered by the grantee.

(g) A tax deed executed under this chapter for real property sold in a tax sale:

(1) does not operate to extinguish an easement recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located, regardless of whether the easement was taxed under this article separately from the real property; and

(2) conveys title subject to all easements recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located.

(h) A tax deed executed under this chapter is prima facie evidence of:

(1) the regularity of the sale of the real property described in the deed;

(2) the regularity of all proper proceedings; and

(3) valid title in fee simple in the grantee of the deed.

(i) A county auditor is not required to execute a deed to the county

executive under this chapter if the county executive determines that the property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property. The county executive may enter the property to conduct environmental investigations.

(j) If the county executive makes the determination under subsection (i) as to any interest in an oil or gas lease or separate mineral rights, the county treasurer shall certify all delinquent taxes, interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk, following the procedures in IC 6-1.1-23-9. After the date of the county treasurer's certification, the certified amount is subject to collection as delinquent personal property taxes under IC 6-1.1-23. Notwithstanding IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an interest shall be zero (0) until production commences.

(k) When a deed is issued to a purchaser of a certificate of sale sold under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that taxes are removed by certificate of error, remove from the tax duplicate the taxes, special assessments, interest, penalties, and costs remaining due as the difference between:

(1) the amount of:

(A) the last minimum bid under IC 6-1.1-24-5; plus

(B) any penalty associated with a delinquency that was not due until after the date of the sale under IC 6-1.1-24-5 but is due before the issuance of the certificate of sale, with respect to taxes included in the minimum bid that were not due at the time of the sale under IC 6-1.1-24-5; and

(2) the amount paid for the certificate of sale.

(l) If a tract or item of real property did not sell at a tax sale and the county treasurer and the owner of real property agree before the expiration of the period for redemption under subsection (b) to a mutually satisfactory arrangement for the payment of the entire amount required for redemption under section 2 of this chapter before the expiration of a period for redemption extended under this subsection:

(1) the county treasurer may extend the period for redemption; and

(2) except as provided in subsection (m), the extended period for redemption expires one (1) year after the date of the agreement.

(m) If the owner of real property fails to meet the terms of an agreement entered into with the county treasurer under subsection (l), the county treasurer may terminate the agreement after providing thirty (30) days written notice to the owner. If the county treasurer gives notice under this subsection, the extended period for redemption established under subsection (l) expires thirty (30) days after the date of the notice.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.195, SEC.6.) As amended by Acts 1981, P.L.11, SEC.26; P.L.89-1987, SEC.5;

P.L.87-1987, SEC.8; P.L.83-1989, SEC.13; P.L.61-1991, SEC.2; P.L.69-1993, SEC.2; P.L.31-1994, SEC.6; P.L.39-1994, SEC.15; P.L.2-1995, SEC.27; P.L.88-1995, SEC.7; P.L.89-1995, SEC.1; P.L.124-1998, SEC.6; P.L.139-2001, SEC.14; P.L.198-2001, SEC.60; P.L.1-2002, SEC.26; P.L.170-2003, SEC.10; P.L.169-2006, SEC.28; P.L.73-2010, SEC.6; P.L.98-2010, SEC.3; P.L.42-2011, SEC.12; P.L.56-2012, SEC.14; P.L.118-2013, SEC.7; P.L.66-2014, SEC.13; P.L.94-2014, SEC.2.

IC 6-1.1-25-4.1

Property containing hazardous waste or other environmental hazards; procedures to obtain title and eliminate hazardous conditions

Sec. 4.1. (a) If, as provided in section 4(i) of this chapter, the county auditor does not issue a deed to the county for property for which a certificate of sale has been issued to the county under IC 6-1.1-24-9 because the county executive determines that the property contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property, the property may be transferred consistent with this section.

(b) A person who desires to obtain title to and eliminate the hazardous conditions of property containing hazardous waste or another environmental hazard for which a county holds a certificate of sale but to which a deed may not be issued to the county under section 4(i) of this chapter may file a petition with the county auditor seeking a waiver of the delinquent taxes, special assessments, interest, penalties, and costs assessed against the property and transfer of the title to the property to the petitioner. The petition must:

(1) be on a form prescribed by the state board of accounts and approved by the department of local government finance;

(2) state the amount of taxes, special assessments, penalties, and costs assessed against the property for which a waiver is sought;

(3) describe the conditions existing on the property that have prevented the sale or the transfer of title to the county;

(4) describe the plan of the petitioner for elimination of the hazardous condition on the property under IC 13-25-5 and the intended use of the property; and

(5) be accompanied by a fee established by the county auditor for completion of a title search and processing.

(c) Upon receipt of a petition described in subsection (b), the county auditor shall review the petition to determine whether the petition is complete. If the petition is not complete, the county auditor shall return the petition to the petitioner and describe the defects in the petition. The petitioner may correct the defects and file the completed petition with the county auditor. Upon receipt of a completed petition, the county auditor shall forward a copy of the petition to:

(1) the assessor of the township in which the property is

located, or the county assessor if there is no township assessor for the township;

(2) the owner;

(3) all persons who have, as of the date of the filing of the petition, a substantial interest of public record in the property;

(4) the county property tax assessment board of appeals; and

(5) the department of local government finance.

(d) Upon receipt of a petition described in subsection (b), the county property tax assessment board of appeals shall, at the county property tax assessment board of appeals' earliest opportunity, conduct a public hearing on the petition. The county property tax assessment board of appeals shall, by mail, give notice of the date, time, and place fixed for the hearing to:

(1) the petitioner;

(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property; and

(4) the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township.

In addition, notice of the public hearing on the petition shall be published one (1) time at least ten (10) days before the hearing in a newspaper of countywide circulation and posted at the principal office of the county property tax assessment board of appeals, or at the building where the meeting is to be held.

(e) After the hearing and completion of any additional investigation of the property or of the petitioner that is considered necessary by the county property tax assessment board of appeals, the county board shall give notice, by mail, to the parties listed in subsection (d) of the county property tax assessment board of appeals' recommendation as to whether the petition should be granted. The county property tax assessment board of appeals shall forward to the department of local government finance a copy of the county property tax assessment board of appeals' recommendation and a copy of the documents submitted to or collected by the county property tax assessment board of appeals at the public hearing or during the course of the county board of appeals' investigation of the petition.

(f) Upon receipt by the department of local government finance of a recommendation by the county property tax assessment board of appeals, the department of local government finance shall review the petition and all other materials submitted by the county property tax assessment board of appeals and determine whether to grant the petition. Notice of the determination by the department of local government finance and the right to seek an appeal of the determination shall be given by mail to:

(1) the petitioner;

(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property;

(4) the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township; and

(5) the county property tax assessment board of appeals.

(g) Any person aggrieved by a determination of the department of local government finance under subsection (f) may file an appeal seeking additional review by the department of local government finance and a public hearing. In order to obtain a review under this subsection, the aggrieved person must file a petition for appeal with the county auditor in the county where the tract or item of real property is located not more than thirty (30) days after issuance of notice of the determination of the department of local government finance. The county auditor shall transmit the petition for appeal to the department of local government finance not more than ten (10) days after the petition is filed.

(h) Upon receipt by the department of local government finance of an appeal, the department of local government finance shall set a date, time, and place for a hearing. The department of local government finance shall give notice, by mail, of the date, time, and place fixed for the hearing to:

(1) the person filing the appeal;

(2) the petitioner;

(3) the owner;

(4) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property;

(5) the assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township; and

(6) the county property tax assessment board of appeals.

The department of local government finance shall give the notices at least ten (10) days before the day fixed for the hearing.

(i) After the hearing, the department of local government finance shall give the parties listed in subsection (h) notice by mail of the final determination of the department of local government finance.

(j) If the department of local government finance decides to:

(1) grant the petition submitted under subsection (b) after initial review of the petition under subsection (f) or after an appeal under subsection (h); and

(2) waive the taxes, special assessments, interest, penalties, and costs assessed against the property;

the department of local government finance shall issue to the county auditor an order directing the removal from the tax duplicate of the taxes, special assessments, interest, penalties, and costs for which the waiver is granted.

(k) After:

(1) at least thirty (30) days have passed since the issuance of a notice by the department of local government finance to the county property tax assessment board of appeals granting a petition filed under subsection (b), if no appeal has been filed; or

(2) not more than thirty (30) days after receipt by the county property tax assessment board of appeals of a notice of a final determination of the department of local government finance granting a petition filed under subsection (b) after an appeal has been filed and heard under subsection (h);

the county auditor shall file a verified petition and an application for an order on the petition in the court in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed to the real property. The petition shall contain the certificate of sale issued to the county, a copy of the petition filed under subsection (b), and a copy of the notice of the final determination of the department of local government finance directing the county auditor to remove the taxes, interest, penalties, and costs from the tax duplicate. Notice of the filing of the petition and application for an order on the petition shall be given, by mail, to the owner and any person with a substantial interest of public record in the property. A person owning or having an interest in the property may appear to object to the petition.

(l) The court shall enter an order directing the county auditor to issue a tax deed to the petitioner under subsection (b) if the court finds that the following conditions exist:

(1) The time for redemption has expired.

(2) The property has not been redeemed before the expiration of the period of redemption specified in section 4 of this chapter.

(3) All taxes, special assessments, interest, penalties, and costs have been waived by the department of local government finance or, to the extent not waived, paid by the petitioner under subsection (b).

(4) All notices required by this section and sections 4.5 and 4.6 of this chapter have been given.

(5) The petitioner under subsection (b) has complied with all the provisions of law entitling the petitioner to a tax deed.

(m) A tax deed issued under this section is uncontestable except by appeal from the order of the court directing the county auditor to issue the tax deed. The appeal must be filed not later than sixty (60) days after the date of the court's order.

As added by P.L.39-1994, SEC.16. Amended by P.L.1-1996, SEC.43; P.L.6-1997, SEC.90; P.L.139-2001, SEC.15; P.L.90-2002, SEC.213; P.L.146-2008, SEC.259; P.L.2-2014, SEC.26.

IC 6-1.1-25-4.2
Repealed

(Repealed by P.L.1-2002, SEC.172.)

IC 6-1.1-25-4.5
Entitlement to tax deed under various circumstances; notice or requirements; reversion of certificate of sale to county

Sec. 4.5. (a) Except as provided in subsection (d), a purchaser or the purchaser's assignee is entitled to a tax deed to the property that

was sold only if:

(1) the redemption period specified in section 4(a)(1) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(a) of this chapter; and

(3) not later than six (6) months after the date of the sale:

(A) the purchaser or the purchaser's assignee; or

(B) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor;

gives notice of the sale to the owner of record at the time of the sale and any person with a substantial property interest of public record in the tract or real property.

(b) A county executive is entitled to a tax deed to property on which the county executive acquires a lien under IC 6-1.1-24-6 and for which the certificate of sale is not sold under IC 6-1.1-24-6.1 only if:

(1) the redemption period specified in section 4(b) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(b) of this chapter; and

(3) not later than ninety (90) days after the date the county executive acquires the lien under IC 6-1.1-24-6, the county auditor gives notice of the sale to:

(A) the owner of record at the time the lien was acquired; and

(B) any person with a substantial property interest of public record in the tract or real property.

(c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is entitled to a tax deed to the property for which the certificate was sold only if:

(1) the redemption period specified in section 4(c) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(c) of this chapter; and

(3) not later than ninety (90) days after the date of sale of the certificate of sale under IC 6-1.1-24, the purchaser gives notice of the sale to:

(A) the owner of record at the time of the sale; and

(B) any person with a substantial property interest of public record in the tract or real property.

(d) The person required to give the notice under subsection (a), (b), or (c) shall give the notice by sending a copy of the notice by certified mail to:

(1) the owner of record at the time of the:

(A) sale of the property;

(B) acquisition of the lien on the property under IC 6-1.1-24-6; or

(C) sale of the certificate of sale on the property under IC 6-1.1-24;

at the last address of the owner for the property, as indicated in the records of the county auditor; and

(2) any person with a substantial property interest of public record at the address for the person included in the public record that indicates the interest.

However, if the address of the person with a substantial property interest of public record is not indicated in the public record that created the interest and cannot be located by ordinary means by the person required to give the notice under subsection (a), (b), or (c), the person may give notice by publication in accordance with IC 5-3-1-4 once each week for three (3) consecutive weeks.

(e) The notice that this section requires shall contain at least the following:

(1) A statement that a petition for a tax deed will be filed on or after a specified date.

(2) The date on or after which the petitioner intends to petition for a tax deed to be issued.

(3) A description of the tract or real property shown on the certificate of sale.

(4) The date the tract or real property was sold at a tax sale.

(5) The name of the:

(A) purchaser or purchaser's assignee;

(B) county executive that acquired the lien on the property under IC 6-1.1-24-6; or

(C) person that purchased the certificate of sale on the property under IC 6-1.1-24.

(6) A statement that any person may redeem the tract or real property.

(7) The components of the amount required to redeem the tract or real property.

(8) A statement that an entity identified in subdivision (5) is entitled to reimbursement for additional taxes or special assessments on the tract or real property that were paid by the entity subsequent to the tax sale, lien acquisition, or purchase of the certificate of sale, and before redemption, plus interest.

(9) A statement that the tract or real property has not been redeemed.

(10) A statement that an entity identified in subdivision (5) is entitled to receive a deed for the tract or real property if it is not redeemed before the expiration of the period of redemption specified in section 4 of this chapter.

(11) A statement that an entity identified in subdivision (5) is entitled to reimbursement for costs described in section 2(e) of this chapter.

(12) The date of expiration of the period of redemption specified in section 4 of this chapter.

(13) A statement that if the property is not redeemed, the owner of record at the time the tax deed is issued may have a right to the tax sale surplus, if any.

(14) The street address, if any, or a common description of the

tract or real property.

(15) The key number or parcel number of the tract or real property.

(f) The notice under this section must include not more than one (1) tract or item of real property listed and sold in one (1) description. However, when more than one (1) tract or item of real property is owned by one (1) person, all of the tracts or real property that are owned by that person may be included in one (1) notice.

(g) A single notice under this section may be used to notify joint owners of record at the last address of the joint owners for the property sold, as indicated in the records of the county auditor.

(h) The notice required by this section is considered sufficient if the notice is mailed to the address required under subsection (d).

(i) The notice under this section and the notice under section 4.6 of this chapter are not required for persons in possession not shown in the public records.

(j) If the purchaser fails to:

(1) comply with subsection (c)(3); or

(2) petition for the issuance of a tax deed within the time permitted under section 4.6(a) of this chapter;

the certificate of sale reverts to the county executive and may be retained by the county executive or sold under IC 6-1.1-24-6.1.

As added by P.L.83-1989, SEC.14. Amended by P.L.62-1991, SEC.3; P.L.12-1992, SEC.24; P.L.69-1993, SEC.3; P.L.39-1994, SEC.17; P.L.56-1996, SEC.8; P.L.139-2001, SEC.16; P.L.170-2003, SEC.11; P.L.169-2006, SEC.29; P.L.66-2014, SEC.14.

IC 6-1.1-25-4.6

Petition to court for issuance of tax deed; court orders; refunds; effects of tax deed; appeal

Sec. 4.6. (a) After the expiration of the redemption period specified in section 4 of this chapter but not later than three (3) months after the expiration of the period of redemption:

(1) the purchaser, the purchaser's assignee, the county executive, or the purchaser of the certificate of sale under IC 6-1.1-24 may; or

(2) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor shall, upon the request of the purchaser or the purchaser's assignee;

file a verified petition in the same court and under the same cause number in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed if the real property is not redeemed from the sale. Notice of the filing of this petition shall be given to the same parties and in the same manner as provided in section 4.5 of this chapter, except that, if notice is given by publication, only one (1) publication is required. The notice required by this section is considered sufficient if the notice is sent to the address required by section 4.5(d) of this chapter. Any person owning or having an interest in the tract or real property may file a

written objection to the petition with the court not later than thirty (30) days after the date the petition was filed. If a written objection is timely filed, the court shall conduct a hearing on the objection.

(b) Not later than sixty-one (61) days after the petition is filed under subsection (a), the court shall enter an order directing the county auditor (on the production of the certificate of sale and a copy of the order) to issue to the petitioner a tax deed if the court finds that the following conditions exist:

(1) The time of redemption has expired.

(2) The tract or real property has not been redeemed from the sale before the expiration of the period of redemption specified in section 4 of this chapter.

(3) Except with respect to a petition for the issuance of a tax deed under a sale of the certificate of sale on the property under IC 6-1.1-24-6.1 or IC 6-1.1-24-6.8, or with respect to penalties described in section 4(k) of this chapter, all taxes and special assessments, penalties, and costs have been paid.

(4) The notices required by this section and section 4.5 of this chapter have been given.

(5) The petitioner has complied with all the provisions of law entitling the petitioner to a deed.

The county auditor shall execute deeds issued under this subsection in the name of the state under the county auditor's name. If a certificate of sale is lost before the execution of a deed, the county auditor shall issue a replacement certificate if the county auditor is satisfied that the original certificate existed.

(c) Upon application by the grantee of a valid tax deed in the same court and under the same cause number in which the judgment of sale was entered, the court shall enter an order to place the grantee of a valid tax deed in possession of the real estate. The court may enter any orders and grant any relief that is necessary or desirable to place or maintain the grantee of a valid tax deed in possession of the real estate.

(d) Except as provided in subsections (e) and (f), if:

(1) the verified petition referred to in subsection (a) is timely filed; and

(2) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure of the petitioner under subsection (a) to fulfill the notice requirement of subsection (a);

the court shall order the return of the amount, if any, by which the purchase price exceeds the minimum bid on the property under IC 6-1.1-24-5 minus a penalty of twenty-five percent (25%) of that excess. The petitioner is prohibited from participating in any manner in the next succeeding tax sale in the county under IC 6-1.1-24. The county auditor shall deposit penalties paid under this subsection in the county general fund.

(e) Notwithstanding subsection (d), in all cases in which:

(1) the verified petition referred to in subsection (a) is timely filed;

(2) the petitioner under subsection (a) has made a bona fide attempt to comply with the statutory requirements under subsection (b) for the issuance of the tax deed but has failed to comply with these requirements;

(3) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure to comply with these requirements; and

(4) the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24 files a claim with the county auditor for refund not later than thirty (30) days after the entry of the order of the court refusing to direct the county auditor to execute and deliver the tax deed;

the county auditor shall not execute the deed but shall refund the purchase money minus a penalty of twenty-five percent (25%) of the purchase money from the county treasury to the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24. The county auditor shall deposit penalties paid under this subsection in the county general fund. All the delinquent taxes and special assessments shall then be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale. The tract or item of real property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under IC 6-1.1-24.

(f) Notwithstanding subsections (d) and (e), the court shall not order the return of the purchase price or any part of the purchase price if:

(1) the purchaser or the purchaser of the certificate of sale under IC 6-1.1-24 has failed to provide notice or has provided insufficient notice as required by section 4.5 of this chapter; and

(2) the sale is otherwise valid.

(g) A tax deed executed under this section vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law, and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale. However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed is prima facie evidence of:

(1) the regularity of the sale of the real property described in the deed;

(2) the regularity of all proper proceedings; and

(3) valid title in fee simple in the grantee of the deed.

(h) A tax deed issued under this section is incontestable except by appeal from the order of the court directing the county auditor to issue the tax deed filed not later than sixty (60) days after the date of the court's order.

As added by P.L.83-1989, SEC.15. Amended by P.L.62-1991, SEC.4; P.L.61-1991, SEC.3; P.L.1-1992, SEC.17; P.L.12-1992, SEC.25;

P.L.69-1993, SEC.4; P.L.39-1994, SEC.18; P.L.88-1995, SEC.8; P.L.90-1995, SEC.1; P.L.2-1996, SEC.218; P.L.139-2001, SEC.17; P.L.170-2003, SEC.12; P.L.97-2004, SEC.23; P.L.169-2006, SEC.30; P.L.89-2007, SEC.10; P.L.56-2012, SEC.15; P.L.118-2013, SEC.8; P.L.66-2014, SEC.15.

IC 6-1.1-25-4.7
Title search and petition for tax deed by county auditor; agreement with county treasurer

Sec. 4.7. (a) A county auditor and county treasurer may enter into a mutual agreement for the county auditor to perform the following duties instead of the purchaser:

(1) Notification and title search under section 4.5 of this chapter.

(2) Notification and petition to the court for the tax deed under section 4.6 of this chapter.

(b) If a county auditor and county treasurer enter into an agreement under this section, notice shall be given under IC 6-1.1-24-2(a)(11).

As added by P.L.69-1993, SEC.5. Amended by P.L.1-1999, SEC.13.

IC 6-1.1-25-5
Tax deed; form

Sec. 5. (a) A tax deed issued under this chapter shall be issued substantially in the following form:

Whereas AB did, on the ____ day of _____, 20___, produce to the undersigned, CD, auditor of the county of _____, in the state of Indiana, a certificate of sale dated the ____ day of _____, 20___, signed by EF who, at the date of the sale, was auditor of the county, from which it appears that AB on the ____ day of _____, 20___, purchased at public auction, held pursuant to law, the real property described in this indenture for the sum of _____ dollars and _____ cents, being the amount due on the real property for taxes, special assessments, penalties and costs for the years _____, namely: (here set out the real property offered for sale). Such real property has been recorded in the office of the _____ county auditor as delinquent for the nonpayment of taxes, and proper notice of the sale has been given. It appearing that AB is the owner of the certificate of sale, that the time for redeeming such real property has expired, that the property has not been redeemed, that the undersigned has received a court order for the issuance of a deed for the real property described in the certificate of sale, that the records of the _____ county auditor's office state that the real property was legally liable for taxation, and that the real property has been duly assessed and properly charged on the duplicate with the taxes and special assessments for the years _____;

Therefore, this indenture, made this ___ day of _____, 20___, between the State of Indiana, by CD, auditor of _____ county, of the first part, and AB, of the second part, witnesseth: That

the party of the first part, for and in consideration of the premises, has granted and bargained and sold to the party of the second part, the real property described in the certificate of sale, situated in the county of _____, and State of Indiana, namely and more particularly described as follows: (here set out the real property sold), to have and to hold such real property, with the appurtenances belonging thereto, in as full and ample a manner as the auditor of said county is empowered by law to convey the same.

In testimony whereof, CD, auditor of _____ county, has hereunto set his or her hand, and affixed the seal of the board of county commissioners, the day and year last above mentioned.

WITNESS: _____ (L.S.)

Auditor of _____ County

STATE OF
INDIANA)
) S.S.
COUNTY OF _____)

Before me, the undersigned, _____, in and for said county, this day, personally came the above named CD, auditor of said county, and acknowledged the execution of the foregoing deed for the uses and purposes therein mentioned.

In witness whereof, I have hereunto set my hand and seal this ___ day of _____, 20___.

_____ (L.S.)

(b) The clerk of the circuit court shall acknowledge the execution of tax title deeds issued under this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.18.

IC 6-1.1-25-5.5
Form of deed to county or city

Sec. 5.5. (a) The deed given by the county auditor to a county that acquired property under IC 6-1.1-24-6, or to a city agency that acquired property under IC 36-7-17 or IC 36-7-17.1, shall be in a form prescribed by the state board of accounts and approved by the attorney general.

(b) The deed given by the county auditor to a city that acquired property under IC 6-1.1-24-6.6 before its expiration and repeal must be in a form prescribed by the state board of accounts and approved by the attorney general.

(Formerly: Acts 1975, P.L.195, SEC.7.) As amended by Acts 1981, P.L.11, SEC.27; P.L.124-1998, SEC.8; P.L.1-2002, SEC.27; P.L.1-2003, SEC.29; P.L.118-2013, SEC.9.

IC 6-1.1-25-6
Repealed

(Repealed by P.L.83-1989, SEC.18.)

IC 6-1.1-25-7
Termination of purchaser's lien

Sec. 7. (a) If the:

(1) purchaser;

(2) purchaser's successors or assigns; or

(3) purchaser of the certificate of sale under IC 6-1.1-24;

fails to file the petition within the period provided in section 4.6 of this chapter, that person's lien against the real property terminates at the end of that period. However, this section does not apply if the county or city is the holder of the certificate of sale.

(b) If the notice under section 4.5 of this chapter is not given within the period specified in section 4.5(a)(3) or 4.5(c)(3) of this chapter, the lien of the:

(1) purchaser of the property; or

(2) purchaser of the certificate of sale under IC 6-1.1-24;

against the real property terminates at the end of that period.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.87-1987, SEC.9; P.L.61-1991, SEC.4; P.L.37-1992, SEC.5; P.L.39-1994, SEC.19; P.L.31-1994, SEC.7; P.L.2-1995, SEC.28; P.L.124-1998, SEC.9; P.L.139-2001, SEC.19; P.L.170-2003, SEC.13.

IC 6-1.1-25-7.5

County having a consolidated city; list of tax delinquent properties for metropolitan development commission; acquisition; payment

Sec. 7.5. (a) This section applies to a county having a consolidated city.

(b) The county auditor shall provide the metropolitan development commission with a list of real property:

(1) included on the list prepared under IC 6-1.1-24-1.5;

(2) for which a certificate of sale has been issued; and

(3) for which the holder of the certificate has not requested the county auditor to execute and deliver a deed.

(c) The metropolitan development commission shall, within a reasonable time after receiving a list under subsection (b), identify any property described under subsection (b) that the metropolitan development commission desires to acquire for urban homesteading under IC 36-7-17 or IC 36-7-17.1 or for redevelopment purposes under IC 36-7-15.1. The metropolitan development commission shall then provide the county auditor with a list of the properties identified under this subsection.

(d) The county auditor shall execute and deliver a deed for any property identified under subsection (c) to the metropolitan development commission.

(e) The county auditor shall execute and deliver a deed to the county for any property:

(1) included in the notice prepared under subsection (b); and

(2) not identified under subsection (c).

(f) The metropolitan development commission and the county may not pay for any property acquired under subsection (d) or (e). However, a taxing unit having an interest in the taxes on the real property shall be credited with the full amount of the delinquent tax due to that unit.

As added by P.L.87-1987, SEC.10. Amended by P.L.39-1994, SEC.20; P.L.31-1994, SEC.8; P.L.2-1995, SEC.29; P.L.118-2013, SEC.10.

IC 6-1.1-25-8
Tax sale record

Sec. 8. Each county auditor shall maintain a tax sale record on the form prescribed by the state board of accounts. The record shall contain:

(1) a description of each parcel of real property:
  (A) that is sold under IC 6-1.1-24;
  (B) on which a county acquires a lien under IC 6-1.1-24-6; or
  (C) for which a certificate of sale is purchased under IC 6-1.1-24;
(2) the name of the owner of the real property at the time of the:
  (A) sale;
  (B) lien acquisition; or
  (C) certificate of sale purchase;
(3) the date of the:
  (A) sale;
  (B) lien acquisition; or
  (C) certificate of sale purchase;
(4) the name and mailing address of the:
  (A) purchaser of the property and the purchaser's assignee; or
  (B) purchaser of the certificate of sale;
(5) the amount of the minimum bid;
(6) the amount for which the:
  (A) real property; or
  (B) certificate of sale;
is sold;
(7) the amount of any taxes paid by the:
  (A) purchaser of the real property or the purchaser's assignee; or
  (B) purchaser of the certificate of sale;
and the date of the payment;
(8) the amount of any costs certified to the county auditor under section 2(e) of this chapter and the date of the certification;
(9) the name of the person, if any, who redeems the property;
(10) the date of redemption;
(11) the amount for which the property is redeemed;
(12) the date a deed, if any, to the real property is executed; and
(13) the name of the grantee in the deed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.20; P.L.1-2002, SEC.28; P.L.1-2003, SEC.30; P.L.170-2003, SEC.14.

IC 6-1.1-25-9
Sale of property acquired by county; application of proceeds;

report; actions by county executive

Sec. 9. (a) When a county acquires title to real property under IC 6-1.1-24 and this chapter, the county executive may dispose of the real property under IC 36-1-11 or subsection (e). The proceeds of any sale under IC 36-1-11 shall be applied as follows:

(1) First, to the cost of the sale or offering for sale of the real property, including the cost of:

(A) maintenance;

(B) preservation;

(C) administration of the property before the sale or offering for sale of the property;

(D) unpaid costs of the sale or offering for sale of the property;

(E) preparation of the property for sale;

(F) advertising; and

(G) appraisal.

(2) Second, to any unrecovered cost of the sale or offering for sale of other real property in the same taxing district acquired by the county under IC 6-1.1-24 and this chapter, including the cost of:

(A) maintenance;

(B) preservation;

(C) administration of the property before the sale or offering for sale of the property;

(D) unpaid costs of the sale or offering for sale of the property;

(E) preparation of the property for sale;

(F) advertising; and

(G) appraisal.

(3) Third, to the payment of the taxes on the real property that were removed from the tax duplicate under section 4(c) of this chapter.

(4) Fourth, any surplus remaining into the county general fund.

(b) The county auditor shall file a report with the board of commissioners before January 31 of each year. The report must:

(1) list the real property acquired under IC 6-1.1-24 and this chapter; and

(2) indicate if any person resides or conducts a business on the property.

(c) The county auditor shall mail a notice by certified mail before March 31 of each year to each person listed in subsection (b)(2). The notice must state that the county has acquired title to the tract the person occupies.

(d) If the county executive determines that any real property acquired under this section should be retained by the county, then the county executive shall not dispose of the real property. The county executive may repair, maintain, equip, alter, and construct buildings upon the real property so retained in the same manner prescribed for other county buildings.

(e) The county executive may transfer title to real property

described in subsection (a) to the redevelopment commission at no cost to the commission for sale, grant, or other disposition under IC 36-7-14-22.2, IC 36-7-14-22.5, IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, or IC 36-7-15.1-15.5.

(f) If the real property is located in a geographic area that is not served by a redevelopment commission and the county executive determines that any real property acquired under this section should be held for later sale or transfer by the county executive, the county executive shall wait until an appropriate time to dispose of the real property. The county executive may do the following:

(1) Examine, classify, manage, protect, insure, and maintain the property being held.

(2) Eliminate deficiencies (including environmental deficiencies), carry out repairs, remove structures, make improvements, and control the use of the property.

(3) Lease the property while it is being held.

The county executive may enter into contracts to carry out part or all of the functions described in subdivisions (1) through (3).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.60-1988, SEC.17; P.L.14-1991, SEC.8; P.L.39-1994, SEC.21; P.L.31-1994, SEC.9; P.L.2-1995, SEC.30; P.L.73-2001, SEC.1; P.L.113-2002, SEC.3; P.L.169-2006, SEC.31.

IC 6-1.1-25-9.5
Repealed

(Repealed by P.L.1-2002, SEC.172.)

IC 6-1.1-25-10
Invalid sale; effect

Sec. 10. (a) If, before the court issues an order directing the county auditor to issue a tax deed to a tract or item of real property sold under IC 6-1.1-24, it is found by the county auditor and the county treasurer that the sale was invalid, the county auditor shall refund:

(1) the purchase money and all taxes and special assessments on the property paid by the purchaser, the purchaser's assigns, or the purchaser of the certificate of sale under IC 6-1.1-24 after the tax sale plus five percent (5%) interest per annum; and

(2) subject to any limitation under section 2.5 of this chapter, any costs paid by the purchaser, the purchaser's assigns, or the purchaser of the certificate of sale under IC 6-1.1-24 under section 2 of this chapter;

from the county treasury to the purchaser, the purchaser's successors or assigns, or the purchaser of the certificate of sale under IC 6-1.1-24. The tract or item of real property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under IC 6-1.1-24-6.

(b) A political subdivision shall reimburse the county for interest paid by the county under subsection (a) if:

(1) the invalidity of the sale under IC 6-1.1-24 resulted from the

failure of the political subdivision to give adequate notice of a lien to property owners; and

(2) the existence of the lien resulted in the sale of the property under IC 6-1.1-24.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1990, SEC.13; P.L.39-1994, SEC.22; P.L.139-2001, SEC.21; P.L.170-2003, SEC.15; P.L.66-2014, SEC.16.

IC 6-1.1-25-11

Circumstances requiring refund to purchaser on finding of invalid tax deed; requirement for deed from invalid tax deed grantee to property owner; limitations on refund

Sec. 11. (a) Subsequent to the issuance of the order directing the county auditor to issue a tax deed to real property sold under IC 6-1.1-24, a county auditor shall refund the purchase money plus five percent (5%) interest per annum from the county treasury to the purchaser, the purchaser's successors or assigns, or the purchaser of the certificate of sale under IC 6-1.1-24 if it is found by the court that entered the order for the tax deed that:

(1) the real property described in the deed was not subject to the taxes for which it was sold;

(2) the delinquent taxes or special assessments for which the real property was sold were properly paid before the sale; or

(3) the legal description of the real property in the tax deed is void for uncertainty.

(b) The grantee of an invalid tax deed, including the county, to whom a refund is made under this section shall execute, acknowledge, and deliver to the owner a deed conveying whatever interest the purchaser may have acquired by the tax sale deed. If a county is required to execute a deed under this section, the deed shall be signed by the county board of commissioners and acknowledged by the clerk of the circuit court.

(c) A refund may not be made under this section while an action initiated under either section 14 or 16 of this chapter is pending.

(d) If a sale is declared invalid after a claim is submitted under IC 6-1.1-24-7 for money deposited in the tax sale surplus fund and the claim is paid, the county auditor shall:

(1) refund the purchase money plus five percent (5%) interest per annum from the county treasury to the purchaser, the purchaser's successors or assigns, or the purchaser of the certificate of sale under IC 6-1.1-24; and

(2) certify the amount paid to the property owner from the tax sale surplus fund as a lien against the property and as a civil judgment against the property owner.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.1-1993, SEC.33; P.L.39-1994, SEC.23; P.L.139-2001, SEC.22; P.L.170-2003, SEC.16; P.L.73-2010, SEC.7; P.L.66-2014, SEC.17.

IC 6-1.1-25-12

Amount of liens acquired by grantee of deed executed under

IC 6-1.1-25-4

Sec. 12. (a) If the conditions prescribed in subsection (b) of this section exist, the grantee of a deed executed under this chapter, or the grantee's successors or assigns, acquires a lien on the real property in an amount equal to the sum of:

(1) the price paid at the tax sale for the real property;

(2) the taxes and special assessments paid by the grantee, or the grantee's successors or assigns, subsequent to the sale; and

(3) any amount due the grantee, or the grantee's successors or assigns, as an occupying claimant.

(b) The grantee, or the grantee's successors or assigns, shall acquire a lien under this section only if:

(1) the tax deed is ineffectual to convey title;

(2) the taxes or special assessments for which the real property was sold were properly charged to that property and were unpaid at the time of sale; and

(3) the real property has not been redeemed.

(c) The grantee, or the grantee's successors or assigns, may recover from the owner of the real property, the owner of a life estate in the real property, or any other person primarily liable for the payment of the taxes and special assessments upon the real property an amount equal to the sum of:

(1) the amount of the lien prescribed in this section;

(2) interest at the rate of ten percent (10%) per annum on the amount of the lien; and

(3) all other lawful charges.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.23.

IC 6-1.1-25-13

Payment of lienholder; execution of release deed; action to quiet title

Sec. 13. (a) When the grantee of an ineffectual tax deed, or the grantee's successors or assigns, receives payment for the amount which the grantee is entitled to receive under section 12(c) of this chapter, the grantee shall execute, acknowledge, and deliver a deed releasing the lien on the real property which the grantee has acquired under section 12(a) of this chapter. The grantee shall execute and deliver the deed to the person who makes the payment.

(b) If the grantee, or the grantee's successors or assigns, fails to execute, acknowledge, or deliver a deed as required by this section, the person who makes the payment may initiate an action to quiet title to the real property. When the payor initiates such an action, the grantee, or the grantee's successors or assigns, is liable for the court cost and the payor's reasonable attorney fees which result from the action.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.24.

IC 6-1.1-25-14

Quieting title; parties to action

Sec. 14. A person who holds a deed executed under this chapter may initiate an action in the court that entered the judgment and order for sale to quiet the title to the property. The plaintiff shall make the following persons defendants to the action:

(1) persons who have or claim to have an interest in or a lien against the property; and

(2) persons who, based on the real property records, appear to have an interest in or a lien against the property.

An unrecorded instrument does not affect the plaintiff's title as established by the court's decree.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.25.

IC 6-1.1-25-15

Quieting title; judicial disposition

Sec. 15. With respect to an action initiated under section 14 of this chapter, if the court finds that the plaintiff's title is invalid and that the plaintiff is not entitled to a refund under section 11 of this chapter, the court shall ascertain the amount due the plaintiff under section 12(c) of this chapter and from whom the amount is due. The court shall order that the sum so ascertained be paid within a reasonable time. If the payment is not made, the court shall order that the real property be sold to pay the judgment and that the right of redemption of the defendants to the suit, and all persons claiming under them, is foreclosed. When real property is sold under this section, the sheriff shall, upon payment of the purchase money, execute and deliver to the purchaser a deed in fee simple for the real property. The purchaser may then take immediate possession of the real property, and there is no right of redemption from the sale.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.139-2001, SEC.26.

IC 6-1.1-25-16

Defeating title conveyed by tax deed; proof required

Sec. 16. A person may, upon appeal, defeat the title conveyed by a tax deed executed under this chapter only if:

(1) the tract or real property described in the deed was not subject to the taxes for which it was sold;

(2) the delinquent taxes or special assessments for which the tract or real property was sold were paid before the sale;

(3) the tract or real property was not assessed for the taxes and special assessments for which it was sold;

(4) the tract or real property was redeemed before the expiration of the period of redemption (as specified in section 4 of this chapter);

(5) the proper county officers issued a certificate, within the time limited by law for paying taxes or for redeeming the tract or real property, which states either that no taxes were due at the time the sale was made or that the tract or real property was

not subject to taxation;

(6) the description of the tract or real property was so imperfect as to fail to describe it with reasonable certainty; or

(7) the notices required by IC 6-1.1-24-2, IC 6-1.1-24-4, and sections 4.5 and 4.6 of this chapter were not in substantial compliance with the manner prescribed in those sections.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.60-1988, SEC.18; P.L.83-1989, SEC.16; P.L.139-2001, SEC.27.

IC 6-1.1-25-17
Repealed

(Repealed by P.L.83-1989, SEC.18.)

IC 6-1.1-25-18
Repealed

(Repealed by P.L.139-2001, SEC.29.)

IC 6-1.1-25-19
Acquisition of tax delinquent land by state for conservation

Sec. 19. This chapter does not repeal IC 14-17-2.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.7-1993, SEC.10; P.L.1-1995, SEC.47.

IC 6-1.1-25-20
Recording of tax deed by county auditor; county auditor signature on sales disclosure form sufficient

Sec. 20. A county auditor who executes a tax deed under this chapter shall provide a copy of the tax deed to the grantee. The county auditor shall collect from the grantee the appropriate recording fee set forth in IC 36-2-7-10 on behalf of the county recorder and submit the tax deed directly to the county recorder for recording. The county recorder shall record the tax deed in the deed records and provide the recorded tax deed to the grantee in the normal course of business. Notwithstanding IC 6-1.1-5.5-3, a sales disclosure form for such a property satisfies the requirements of IC 6-1.1-5.5 if only the county auditor signs the form.

As added by P.L.66-2014, SEC.18.

IC 6-1.1-26

Chapter 26. Refunds for Erroneous or Excessive Tax Payments

IC 6-1.1-26-1

Claim; filing; grounds

Sec. 1. A person, or his heirs, personal representative, or successors, may file a claim for the refund of all or a portion of a tax installment which he has paid. However, the claim must be:

(1) filed with the auditor of the county in which the taxes were originally paid;

(2) filed within three (3) years after the taxes were first due;

(3) filed on the form prescribed by the state board of accounts and approved by the department of local government finance; and

(4) based upon one (1) of the following grounds:

(A) Taxes on the same property have been assessed and paid more than once for the same year.

(B) The taxes, as a matter of law, were illegal.

(C) There was a mathematical error either in the computation of the assessment upon which the taxes were based or in the computation of the taxes.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.74-1987, SEC.17; P.L.90-2002, SEC.214.

IC 6-1.1-26-2

Review of claim by department of local government finance; department action; appeal

Sec. 2. (a) The county auditor shall forward a claim for refund filed under section 1 of this chapter to the department of local government finance for review by the department if:

(1) the claim is for the refund of taxes paid on an assessment made or determined by the state board of tax commissioners (before the board was abolished) or the department of local government finance; and

(2) the claim is based upon the grounds specified in section 1(4)(B) or 1(4)(C) of this chapter.

(b) The department of local government finance shall review each refund claim forwarded to it under this section. The department shall certify its approval or disapproval on the claim and shall return the claim to the county auditor.

(c) Before the department of local government finance disapproves a refund claim that is forwarded to it under this section, the department shall notify the claimant of its intention to disapprove the claim and of the time and place fixed for a hearing on the claim. The department shall hold the hearing within thirty (30) days after the date of the notice. The claimant has a right to be heard at the hearing. After the hearing, the department shall give the claimant notice of the department's final determination on the claim.

(d) If a person desires to initiate an appeal of the final

determination of the department of local government finance to disapprove a claim under subsection (c), the person shall file a petition for review with the appropriate county assessor not more than forty-five (45) days after the department gives the person notice of the final determination.

(e) If a person desires to initiate a proceeding for judicial review of the Indiana board's final determination under subsection (d), the person must petition for judicial review under IC 6-1.1-15-5 not more than forty-five (45) days after the Indiana board gives the person notice of the final determination.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.43-1992, SEC.4; P.L.198-2001, SEC.61; P.L.178-2002, SEC.33; P.L.256-2003, SEC.27; P.L.219-2007, SEC.69.

IC 6-1.1-26-3

Review of claim by county officers; appeal to Indiana board

Sec. 3. (a) A refund claim which is filed under section 1 of this chapter and which is not subject to review by the department of local government finance under section 2 of this chapter shall be either approved or disapproved by the county auditor, the county treasurer, and the county assessor.

(b) If the claim for refund is disapproved by either the county auditor, the county treasurer, or the county assessor, the claimant may appeal that decision to the Indiana board. The claimant must initiate the appeal and the Indiana board shall hear the appeal in the same manner that assessment appeals are heard by the Indiana board.

(c) If a person desires to initiate a proceeding for judicial review of the Indiana board's final determination under this section, the person must petition for judicial review under IC 6-1.1-15-5 not more than forty-five (45) days after the Indiana board gives the person notice of the final determination.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.43-1992, SEC.5; P.L.198-2001, SEC.62; P.L.219-2007, SEC.70.

IC 6-1.1-26-4

Final review by county commissioners; judicial review

Sec. 4. (a) A county auditor shall submit a refund claim filed under section 1 of this chapter to the county board of commissioners for final review after the appropriate county officials either approve or disapprove the claim and, if the claim is disapproved, an appeal to the Indiana board is not initiated under section 3 of this chapter.

(b) The county board of commissioners shall disallow a refund claim if it was disapproved by one (1) of the appropriate county officials and an appeal to the Indiana board was not initiated under section 3 of this chapter.

(c) Except as provided in subsection (b) of this section, the county board of commissioners may either allow or disallow a refund claim which is submitted to it for final review. If the county board disallows a claim, the claimant may appeal that decision to the Indiana board.

(d) The Indiana board shall hear an appeal under subsection (c) in the same manner that assessment appeals are heard.

(e) If a person desires to initiate a proceeding for judicial review of the Indiana board's final determination under this section, the person must petition for judicial review under IC 6-1.1-15-5 not more than forty-five (45) days after the Indiana board gives the person notice of the final determination.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.43-1992, SEC.6; P.L.198-2001, SEC.63; P.L.219-2007, SEC.71.

IC 6-1.1-26-5

Property taxes; refunds; interest rate

Sec. 5. (a) When a claim for refund filed under section 1 of this chapter is allowed either by the county board of commissioners, the department of local government finance, the Indiana board, or the Indiana tax court on appeal, the claimant is entitled to a refund. The amount of the refund shall equal the amount of the claim so allowed plus, with respect to claims for refund filed after December 31, 2001, interest at the rate established for excess tax payments by the commissioner of the department of state revenue under IC 6-8.1-10-1 from the date on which the taxes were paid or payable, whichever is later, to the date of the refund. The interest shall be computed using the rate in effect for each particular year covered by the refund. The county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this section.

(b) In the June or December settlement and apportionment of taxes, or both the June and December settlement and apportionment of taxes, immediately following a refund made under this section the county auditor shall deduct the amount refunded from the gross tax collections of the taxing units for which the refunded taxes were originally paid and shall pay the amount so deducted into the general fund of the county. However, the county auditor shall make the deductions and payments required by this subsection not later than the December settlement and apportionment.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.43-1992, SEC.7; P.L.38-1998, SEC.5; P.L.198-2001, SEC.64; P.L.178-2002, SEC.34; P.L.120-2012, SEC.4; P.L.235-2013, SEC.2; P.L.288-2013, SEC.23.

IC 6-1.1-26-6

Surplus tax fund; application of fund; schedule of excess payments; unclaimed excess payments

Sec. 6. (a) Notwithstanding the other provisions of this chapter, each county treasurer shall place the portion of a tax or special assessment payment which exceeds the amount actually due, as shown by the tax duplicate or special assessment records, in a special fund to be known as the "surplus tax fund". Amounts placed in the fund shall first be applied to the taxpayer's delinquent taxes in the manner provided in IC 6-1.1-23-5(b). The taxpayer may then file a

verified claim for money remaining in the surplus tax fund. The county treasurer or county auditor shall require reasonable proof of payment by the person making the claim. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to the taxpayer for the amount due the taxpayer.

(b) Not less frequently than at the time of each semiannual settlement, the county treasurer shall prepare duplicate schedules of all excess payments received. The schedules shall contain the name on the tax duplicate, the amount of excess paid, and the taxing district. The county treasurer shall deliver one (1) copy of the schedule to the county auditor. Within fifteen (15) days after receiving the schedule, the county auditor shall review the schedule, and if the county auditor concurs with the schedule, the county auditor shall notify the county treasurer that the notice required under subsection (d) may be sent. The county auditor shall preserve the schedule, and if a refund is subsequently made, he shall note on the schedule and notify the county treasurer of the date and amount of the refund. In addition, when money is transferred from the surplus tax fund to the county general fund under subsection (c), the county auditor shall note the date and amount of the transfer on the schedule.

(c) If an excess payment is not claimed within the three (3) year period after November 10 of the year in which the payment was made and the county treasurer has given the written notice required under subsection (d), the county auditor shall transfer the excess from the surplus tax fund into the general fund of the county. If the county treasurer has given written notice concerning the excess under subsection (d), the excess may not be refunded under subsection (a) after the expiration of that three (3) year time period.

(d) This subsection applies only if the amount of an excess payment is more than five dollars ($5) and exceeds the amount applied under subsection (a) to property taxes that are delinquent at the time that the excess payment is transferred to the surplus tax fund. Not later than forty-five (45) days after receiving the notification from the county auditor under subsection (b), the county treasurer shall give the taxpayer who made the excess payment written notice that the taxpayer may be entitled to a refund. The notice shall be mailed to the last known address of the taxpayer as listed on the tax duplicate or the most current record of the county treasurer. The notice must contain at least the following information:

(1) A statement that the taxpayer may be entitled to a refund because the taxpayer made an excess payment.

(2) The amount of the refund.

(3) Instructions on how to claim the refund.

(4) The date before which the refund must be claimed under subsection (c).

(5) An explanation that the amount of the refund will be reduced by any amount applied to property taxes that are delinquent.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1990, SEC.14; P.L.44-1992, SEC.2; P.L.38-1998, SEC.6.

IC 6-1.1-27

Chapter 27. Settlement for Amounts Collected by County Treasurer

IC 6-1.1-27-1

Audit of monthly report; certificate of settlement; interest payment if tax money not timely distributed

Sec. 1. (a) On or before June 20th and December 20th of each year, the county auditor and the county treasurer shall meet in the office of the county auditor. Before each semi-annual meeting, the county auditor shall complete an audit of the county treasurer's monthly reports required under IC 36-2-10-16. In addition, the county auditor shall:

(1) prepare a certificate of settlement on the form prescribed by the state board of accounts; and

(2) deliver the certificate of settlement to the county treasurer at least two (2) days before each semi-annual meeting.

(b) If any county treasurer or auditor refuses, neglects, or fails to distribute tax money due to a taxing unit on or before:

(1) the fifty-first day immediately following each property tax due date under IC 6-1.1-22-9 or IC 6-1.1-37-10, whichever applies; or

(2) the deadline for a distribution requested under IC 5-13-6-3;

the county treasurer and auditor shall pay to the taxing unit from the county general fund interest on the taxing unit's undistributed tax money if the county treasurer and auditor invest undistributed tax money in an interest bearing investment.

(c) The amount of interest to be paid if subsection (b)(1) applies equals the taxing unit's proportionate share of the actual amount of interest which is received from investments of the undistributed tax money from the fifty-second day immediately following the property tax due date under IC 6-1.1-22-9 or IC 6-1.1-37-10, whichever applies, to the date that the tax money is distributed.

(d) The amount of interest to be paid if subsection (b)(2) applies equals the taxing unit's proportionate share of the actual amount of interest that is received from investments of the undistributed tax money from the date the county treasurer receives the taxing unit's request for funds under IC 5-13-6-3(b) to the date the tax money is distributed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.46, SEC.1; Acts 1981, P.L.11, SEC.28; P.L.230-2003, SEC.1; P.L.89-2010, SEC.7.

IC 6-1.1-27-2

Settlement of county treasurer with county auditor

Sec. 2. At each semi-annual meeting required under section 1 of this chapter, the county treasurer shall make a settlement with the county auditor for the amount of taxes and special assessments which the county treasurer has collected. At each semi-annual meeting, the county treasurer shall also certify to the county auditor, under oath

and on the form prescribed by the state board of accounts, the correctness of:

(1) the credits for cash collected for each taxing unit appearing on the tax deplicate; and

(2) any other amounts collected by the county treasurer as required by law.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-27-3

Copies of certificate of settlement and statement of distribution; payments to state treasurer

Sec. 3. Immediately after each semi-annual settlement, the county auditor shall send a copy of the certificate of settlement and a statement of the distribution of the taxes collected to the state auditor. On or before June 30th and December 31st of each year, the county treasurer shall pay to the state treasurer the money due the state as shown by the certificate of settlement.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-27-4

Liability of treasurer for failure to settle

Sec. 4. If a county treasurer fails to make a semi-annual settlement with the auditor of his county or to pay over the money due the county, the county auditor shall notify the county prosecuting attorney who shall bring a suit upon the bond of the county treasurer. The county treasurer and his sureties are liable in an amount equal to one hundred ten percent (110%) of the taxes and other charges for which the treasurer fails to make a settlement or pay over.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-27-5

Prosecuting attorney; duties

Sec. 5. (a) The state auditor shall notify the appropriate county prosecuting attorney if:

(1) the money due the state as shown by a certificate of settlement is not paid to the state treasurer by the time required under section 3 of this chapter; and

(2) the non-payment is caused by the failure of:

(i) the county auditor to prepare and deliver a certificate of settlement to the county treasurer;

(ii) the county treasurer to make payment; or

(iii) the county auditor to issue a warrant for the amount due the state.

(b) When a county prosecuting attorney receives the notice required by this section, he shall initiate a suit in the name of the state against the defaulting county auditor or treasurer. The defaulting party is liable in an amount equal to one hundred fifteen percent (115%) of the amount due the state.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-27-6
Overpayments or erroneous payments by county treasurer

Sec. 6. (a) If the board of county commissioners of a county determines that the county treasurer has paid, and accounted to the board for, more money than was due from him, the board shall direct the county auditor to credit the county treasurer with the sum improperly paid and shall order that the sum be repaid out of the county treasury. It is not necessary to appropriate the money to be refunded before it is paid.

(b) If improper or erroneous payments are made by a county treasurer to the state treasurer, the board of county commissioners shall order the county auditor to certify to the state auditor a statement concerning the improper or erroneous payments. The state auditor shall audit the statement and shall allow the amount due as a claim against the treasurer of state. The state treasurer shall refund the amount due out of money not otherwise appropriated.

(c) A refund may not be made to a county treasurer under this section after the expiration of ten (10) years from the date when the amount was improperly or erroneously paid by him.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-27-7
Evidence in suit against county treasurer

Sec. 7. With respect to a suit brought against a county treasurer and his sureties under this chapter, the books and papers in the offices of the county treasurer and county auditor are admissible as evidence if they are proved by the oral testimony of the county auditor. In such a suit, a certified copy of the account current of a county treasurer on the books of the auditor of state is prima facie evidence.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-27-8
Failure of lessee or assignee to pay taxes on real or personal property

Sec. 8. If a lessee or an assignee of the lessee does not pay the taxes due on real or personal property as required by IC 6-1.1-10-37, and the lessor of the property is a taxing unit, then the county auditor shall deduct from the taxing unit's distribution of property tax revenue an amount equal to the unpaid taxes.

As added by P.L.59-1986, SEC.2.

IC 6-1.1-27-9
Distribution by county auditor to school corporation under certain circumstances; deposit in school general fund

Sec. 9. (a) This section applies if:

(1) a school corporation did not receive a property tax distribution that was at least the amount of the school corporation's actual general fund property tax levy for a particular year because of property taxes not being paid when due, as determined by the department of local government

finance; and

(2) delinquent property taxes are paid that are attributable to a year referred to in subdivision (1).

(b) The county auditor shall distribute to a school corporation the school corporation's proportionate share of any delinquent property taxes paid that are attributable to a year referred to in subsection (a) in the amount that would have been distributed to the school corporation with respect to the school corporation's general fund. The school corporation shall deposit the distribution in the school corporation's general fund.

(c) This section expires January 1, 2015.

As added by P.L.182-2009(ss), SEC.165.

IC 6-1.1-28

Chapter 28. County Property Tax Assessment Board of Appeals

IC 6-1.1-28-1

County property tax assessment board of appeals

Sec. 1. (a) Each county shall have a county property tax assessment board of appeals composed of individuals who are at least eighteen (18) years of age and knowledgeable in the valuation of property. At the election of the board of commissioners of the county, a county property tax assessment board of appeals may consist of three (3) or five (5) members appointed in accordance with this section.

(b) This subsection applies to a county in which the board of commissioners elects to have a five (5) member county property tax assessment board of appeals. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. Subject to subsections (g) and (h), the fiscal body of the county shall appoint two (2) individuals to the board. At least one (1) of the members appointed by the county fiscal body must be a certified level two or level three assessor-appraiser. The fiscal body may waive the requirement in this subsection that one (1) of the members appointed by the fiscal body must be a certified level two or level three assessor-appraiser. Subject to subsections (g) and (h), the board of commissioners of the county shall appoint three (3) freehold members so that not more than three (3) of the five (5) members may be of the same political party and so that at least three (3) of the five (5) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser. The board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser.

(c) This subsection applies to a county in which the board of commissioners elects to have a three (3) member county property tax assessment board of appeals. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. Subject to subsections (g) and (h), the fiscal body of the county shall appoint one (1) individual to the board. The member appointed by the county fiscal body must be a certified level two or level three assessor-appraiser. The fiscal body may waive the requirement in this subsection that the member appointed by the fiscal body must be a certified level two or level three assessor-appraiser. Subject to subsections (d) and (e), the board of commissioners of the county shall appoint two (2) freehold members so that not more than two (2) of the three (3) members may be of the same political party and so that at least two (2) of the three

(3) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser. The board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser.

(d) A person appointed to a property tax assessment board of appeals may serve on the property tax assessment board of appeals of another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor is a nonvoting member of the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the board that includes at least one (1) certified level two or level three assessor-appraiser constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board.

(e) The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement in subsection (b) or (c) that not more than three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two or level three Indiana assessor-appraisers:

(1) who are willing to serve on the board; and

(2) whose political party membership status would satisfy the requirement in subsection (b) or (c).

(f) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

(1) residents of the county;

(2) certified level two or level three Indiana assessor-appraisers; and

(3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals be residents of the county.

(g) Except as provided in subsection (f), the term of a member of the county property tax assessment board of appeals appointed under this section:

(1) is one (1) year; and

(2) begins January 1.

(h) If:

(1) the term of a member of the county property tax assessment board of appeals appointed under this section expires;

(2) the member is not reappointed; and

(3) a successor is not appointed;

the term of the member continues until a successor is appointed.

(i) An:

(1) employee of the township assessor or county assessor; or

(2) appraiser, as defined in IC 6-1.1-31.7-1;

may not serve as a voting member of a county property tax assessment board of appeals in a county where the employee or appraiser is employed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.7-1983, SEC.8; P.L.24-1986, SEC.21; P.L.6-1997, SEC.91; P.L.198-2001, SEC.65; P.L.178-2002, SEC.35; P.L.228-2005, SEC.24; P.L.219-2007, SEC.72; P.L.182-2009(ss), SEC.166; P.L.112-2014, SEC.1; P.L.134-2014, SEC.3.

IC 6-1.1-28-2

Oath of members

Sec. 2. Before performing any of the member's duties, each member of the county property tax assessment board of appeals shall take and subscribe to the following oath:

STATE OF INDIANA)
) SS:
COUNTY OF _____)

I, _____, do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of Indiana, and that I will faithfully and impartially discharge my duty under the law as a member of the Property Tax Assessment Board of Appeals for said County; that I will, according to my best knowledge and judgment, assess, and review the assessment of all the property of said county, and I will in no case assess any property at more or less than is provided by law, so help me God.

_____
Member of The Board

Subscribed and sworn to before me this ___ day of _____, 20___.

_____
County Auditor

This oath shall be administered by and filed with the county auditor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.92; P.L.2-2005, SEC.19.

IC 6-1.1-28-3

Compensation of members

Sec. 3. The members of the county property tax assessment board of appeals shall receive compensation on a per diem basis for each day of actual service. The county council shall fix the rate of this compensation. The county assessor shall keep an attendance record for each meeting of the county property tax assessment board of appeals. At the close of each annual session, the county assessor shall certify to the county board of commissioners the number of days

actually served by each member. The county board of commissioners may not allow claims for service on the county property tax assessment board of appeals for more days than the number of days certified by the county assessor. The compensation provided by this section shall be paid from the county treasury.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.93.

IC 6-1.1-28-4
Meetings; location
Sec. 4. The county property tax assessment board of appeals shall meet either in the room of the board of commissioners in the county courthouse or in some other room provided by the county board of commissioners.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.94.

IC 6-1.1-28-5
Repealed
(Repealed by P.L.33-1994, SEC.4.)

IC 6-1.1-28-6
Notice of annual session
Sec. 6. The county assessor shall give notice of the time, place, and purpose of each annual session of the county property tax assessment board. The county assessor shall give the notice two (2) weeks before the first meeting of the board by:
(1) publication in two (2) newspapers of general circulation which are published in the county and which represent different political parties; or
(2) publication in one (1) newspaper of general circulation published in the county if the requirements of clause (1) of this section cannot be satisfied; or
(3) posting in three (3) public places in each township of the county if a newspaper of general circulation is not published in the county.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.1-2001, SEC.4; P.L.245-2003, SEC.20.

IC 6-1.1-28-7
Repealed
(Repealed by P.L.41-1993, SEC.54.)

IC 6-1.1-28-8
Duration of session; expenses and per diem; sessions called by department of local government finance
Sec. 8. (a) The county property tax assessment board shall remain in session until the board's duties are complete.
(b) All expenses and per diem compensation resulting from a session of a county property tax assessment board that is called by the

department of local government finance under subsection (c) shall be paid by the county auditor, who shall, without an appropriation being required, draw warrants on county funds not otherwise appropriated.

(c) The department of local government finance may also call a session of the county property tax assessment board after completion of a general reassessment of real property under IC 6-1.1-4-4 or a reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2. The department of local government finance shall fix the time for and duration of the session.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.69-1983, SEC.8; P.L.41-1993, SEC.22; P.L.1-2001, SEC.5; P.L.90-2002, SEC.215; P.L.112-2012, SEC.42.

IC 6-1.1-28-9

Powers

Sec. 9. (a) A county property tax assessment board of appeals may:

(1) subpoena witnesses;

(2) examine witnesses, under oath, on the assessment or valuation of property;

(3) compel witnesses to answer its questions relevant to the assessment or valuation of property; and

(4) order the production of any papers related to the assessment or valuation of property.

(b) The county sheriff shall serve all process issued under this section which are not served by the county assessor and shall obey all orders of the board.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.95.

IC 6-1.1-28-10

Field representatives and hearing examiners; compensation

Sec. 10. (a) Subject to the limitations contained in subsection (b), a county on behalf of the property tax assessment board of appeals may employ and fix the compensation of as many field representatives and hearing examiners as are necessary to promptly and efficiently perform the duties and functions of the board. A person employed under this subsection must be a person who is certified in Indiana as a level two or level three assessor-appraiser by the department of local government finance.

(b) The number and compensation of all persons employed under this section are subject to the appropriations made for that purpose by the county council.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.12-1992, SEC.27; P.L.6-1997, SEC.96; P.L.90-2002, SEC.216; P.L.219-2007, SEC.73.

IC 6-1.1-28-11

Field representatives and hearing examiners; powers and duties

Sec. 11. Field representatives and hearing examiners employed under section 10 of this chapter, when authorized by the county

property tax assessment board of appeals, have the powers granted to the county property tax assessment board of appeals for the review of, and hearings on, assessments. The field representatives and hearing examiners shall report their findings to the board in writing at the conclusion of each review or hearing. After receipt of the written report, the board may take further evidence or hold further hearings. The final decision on each matter shall be made by the board based upon the field representative's or hearing officer's report, any additional evidence taken by the board, and any records that the board considers pertinent.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.97.

IC 6-1.1-29

Chapter 29. County Board of Tax Adjustment

IC 6-1.1-29-1

County board of tax adjustment

Sec. 1. Except as provided in section 9 of this chapter, each county shall have a county board of tax adjustment composed of seven (7) members. The members of the county board of tax adjustment shall be selected as follows:

(1) The county fiscal body shall appoint a member of the body to serve as a member of the county board of tax adjustment.

(2) Either the executive of the largest city in the county or a public official of any city in the county appointed by that executive shall serve as a member of the board. However, if there is no incorporated city in the county, the fiscal body of the largest incorporated town of the county shall appoint a member of the body to serve as a member of the county board of tax adjustment.

(3) The governing body of the school corporation, located entirely or partially within the county, which has the greatest taxable valuation of any school corporation of the county shall appoint a member of the governing body to serve as a member of the county board of tax adjustment.

(4) The remaining four (4) members of the county board of tax adjustment must be residents of the county and freeholders and shall be appointed by the board of commissioners of the county.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.7-1983, SEC.9; P.L.69-1985, SEC.1; P.L.8-1989, SEC.25; P.L.4-1991, SEC.135; P.L.224-2007, SEC.41; P.L.182-2009(ss), SEC.167.

IC 6-1.1-29-1.5

Repealed

(Repealed by P.L.146-2008, SEC.801.)

IC 6-1.1-29-2

Appointment of members; terms; political affiliation

Sec. 2. The seven (7) members of the county board of tax adjustment shall be appointed before April 15th of each year, and their appointments shall continue in effect until April 15th of the following year. The four (4) freehold members of the county board of tax adjustment may not be, or have been during the year preceding their appointment, an official or employee of a political subdivision. The four (4) freehold members shall be appointed in such a manner that no more than four (4) of the board members are members of the same political party.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.224-2007, SEC.43; P.L.146-2008, SEC.260.

IC 6-1.1-29-2.5

Repealed

(Repealed by P.L.146-2008, SEC.801.)

IC 6-1.1-29-3
Vacancies

Sec. 3. If a vacancy occurs in the membership of the county board of tax adjustment with respect to an appointment made by a fiscal body, the vacancy shall be filled in the same manner provided for the original appointment.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.1-1993, SEC.34; P.L.224-2007, SEC.45; P.L.146-2008, SEC.261.

IC 6-1.1-29-4
Meetings

Sec. 4. Each county board of tax adjustment, except the board for a consolidated city and county and for a county containing a second class city, shall hold its first meeting of each year for the purpose of reviewing budgets, tax rates, and levies on September 22 or on the first business day after September 22, if September 22 is not a business day. The board for a consolidated city and county and for a county containing a second class city shall hold its first meeting of each year for the purpose of reviewing budgets, tax rates, and levies on the first Wednesday following the adoption of city and county budget, tax rate, and tax levy ordinances. The board shall hold the meeting at the office of the county auditor. At the first meeting of each year, the board shall elect a chairman and a vice-chairman. After this meeting, the board shall continue to meet from day to day at any convenient place until its business is completed. However, the board must complete its duties on or before the date prescribed in IC 6-1.1-17-9(a).

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.8, SEC.54; Acts 1980, P.L.47, SEC.1; P.L.44-1991, SEC.4; P.L.35-1994, SEC.3; P.L.50-2000, SEC.3; P.L.224-2007, SEC.46; P.L.146-2008, SEC.262.

IC 6-1.1-29-5
Clerk

Sec. 5. The county auditor shall serve as clerk of the county board of tax adjustment. The clerk shall keep a complete record of all the board's proceedings. The clerk may not vote on matters before the board.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.224-2007, SEC.47; P.L.146-2008, SEC.263.

IC 6-1.1-29-6
Compensation of certain members

Sec. 6. The four (4) freehold members of the county board of tax adjustment shall receive compensation on a per diem basis for each day of actual service. The rate of this compensation is the same as the rate that the freehold members of the county property tax assessment board of appeals of that county receive. The county

auditor shall keep an attendance record of each meeting of the county board of tax adjustment. At the close of each annual session, the county auditor shall certify to the county board of commissioners the number of days actually served by each freehold member. The county board of commissioners may not allow claims for service on the county board of tax adjustment for more days than the number of days certified by the county auditor.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.98; P.L.224-2007, SEC.48; P.L.146-2008, SEC.264.

IC 6-1.1-29-7
Officials of political subdivisions required to appear and provide information

Sec. 7. A county board of tax adjustment may require an official of a political subdivision of the county to appear before the board. In addition, the board may require such an official to provide the board with information which is related to the budget, tax rate, or tax levy of the political subdivision.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.224-2007, SEC.49; P.L.146-2008, SEC.265.

IC 6-1.1-29-8
Examiners; employment; expenses

Sec. 8. A county board of tax adjustment may employ an examiner of the state board of accounts to assist the county board with its duties. If the board desires to employ an examiner, it shall adopt a resolution which states the number of days that the examiner is to serve. When the county board files a copy of the resolution with the chief examiner of the state board of accounts, the state board of accounts shall assign an examiner to the county board of tax adjustment for the number of days stated in the resolution. When an examiner of the state board of accounts is employed by a county board of tax adjustment under this section, the county shall pay the expenses related to the examiner's services in the same manner that expenses are to be paid under IC 5-11-4-3.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.224-2007, SEC.50; P.L.146-2008, SEC.266.

IC 6-1.1-29-9
County board of tax adjustment; procedures for abolishing; effect

Sec. 9. (a) A county council may adopt an ordinance to abolish the county board of tax adjustment. This ordinance must be adopted by July 1 and may not be rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 20-45 (before January 1, 2009), IC 20-46, IC 12-19-7 (before January 1, 2009), IC 12-19-7.5 (before January 1, 2009), IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11, IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted, this section governs the treatment of tax rates, tax levies, and budgets that would otherwise be reviewed by a county board of tax adjustment under IC 6-1.1-17.

(b) The time requirements set forth in IC 6-1.1-17 govern all filings and notices.

(c) If an ordinance described in subsection (a) is adopted and has not been rescinded, a tax rate, tax levy, or budget that otherwise would be reviewed by the county board of tax adjustment is considered and must be treated for all purposes as if the county board of tax adjustment approved the tax rate, tax levy, or budget. This includes the notice of tax rates that is required under IC 6-1.1-17-12. *As added by P.L.69-1985, SEC.2. Amended by P.L.2-1992, SEC.65; P.L.36-1994, SEC.11; P.L.273-1999, SEC.57; P.L.224-2003, SEC.89; P.L.2-2006, SEC.66; P.L.224-2007, SEC.51; P.L.146-2008, SEC.267.*

IC 6-1.1-29.5
Repealed

(Repealed by P.L.146-2008, SEC.801.)

IC 6-1.1-30

Chapter 30. General Provisions Concerning the Department of Local Government Finance

IC 6-1.1-30-1

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-30-1.1

Department of local government finance established; commissioner

Sec. 1.1. (a) The department of local government finance is established.

(b) The governor shall appoint an individual with appropriate training and experience as commissioner of the department. The commissioner:

(1) is the executive and chief administrative officer of the department;

(2) may delegate authority to appropriate department staff;

(3) serves at the pleasure of the governor; and

(4) is entitled to receive compensation in an amount set by the governor, subject to approval by the budget agency.

As added by P.L.198-2001, SEC.66. Amended by P.L.178-2002, SEC.36.

IC 6-1.1-30-1.3

Treatment of references to the state board of tax commissioners

Sec. 1.3. A reference to the state board of tax commissioners is considered to be a reference to the department of local government finance if the reference is contained in a statute that:

(1) was enacted before January 1, 2002;

(2) has not been codified as part of the Indiana Code; and

(3) requires the state board of tax commissioners to take an action after December 31, 2001.

As added by P.L.220-2011, SEC.129.

IC 6-1.1-30-1.5

Legalization of appointment of commissioner before March 28, 2002

Sec. 1.5. The appointment by the governor of the commissioner of the department of local government finance before March 28, 2002, is legalized and validated as if the appointment had been made on or after March 28, 2002.

As added by P.L.220-2011, SEC.130.

IC 6-1.1-30-2

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-30-3

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-30-4
Repealed
(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-30-5
Repealed
(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-30-6
Records; use of records in court and other proceedings
Sec. 6. The department of local government finance shall keep a record of its proceedings and orders. The department of local government finance's record is a public record. A copy of the appropriate portion of the record is sufficient evidence in all courts or proceedings to prove an action, rule, or order of the department of local government finance if the copy is:
(1) certified by the commissioner of the department; and
(2) attested to by a designee of the commissioner of the department.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.198-2001, SEC.67; P.L.154-2006, SEC.51.

IC 6-1.1-30-6.5
Appointment of commissioner of department of local government finance
Sec. 6.5. The governor shall appoint an individual with appropriate training and experience as commissioner of the department of local government finance. The commissioner is the executive and chief administrative officer of the department. The commissioner:
(1) may delegate authority to appropriate department staff;
(2) serves at the governor's pleasure; and
(3) is entitled to receive compensation in an amount set by the governor, subject to approval by the budget agency.
As added by P.L.90-2002, SEC.217.

IC 6-1.1-30-7
Deputy commissioner
Sec. 7. The commissioner may appoint an individual to serve as deputy commissioner of the department of local government finance. However, the appointment must be approved by the governor. A deputy commissioner shall subscribe to an oath to faithfully discharge the duties assigned to the deputy commissioner either by law or by the commissioner.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.198-2001, SEC.68; P.L.246-2005, SEC.67.

IC 6-1.1-30-8

Employees; compensation

Sec. 8. (a) To properly and efficiently perform its duties, the department of local government finance may employ assistants, clerks, stenographers, field representatives, and supervisors.

(b) Each employee of the department of local government finance shall receive an annual salary to be fixed in the manner prescribed in IC 4-12-1-13. In addition, each employee shall receive the same mileage and travel allowances that other state employees receive.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.198-2001, SEC.69.

IC 6-1.1-30-9

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-30-10

Delegation of powers and duties

Sec. 10. The commissioner may delegate to a field representative or supervisor the powers of the department of local government finance with respect to any duty of the department.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.198-2001, SEC.70.

IC 6-1.1-30-11

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-30-12

Review by field representative or supervisor

Sec. 12. (a) With respect to a review conducted by a field representative or supervisor under section 10 of this chapter, the field representative or supervisor shall submit a written report of findings of fact and conclusions of law to the department of local government finance.

(b) Except as provided in IC 6-1.1-15, after reviewing the report, the department of local government finance may take additional evidence or hold additional hearings.

(c) The department of local government finance shall base its final decision on the report, any additional evidence taken by the department, and any records that the department considers relevant.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.100; P.L.198-2001, SEC.71.

IC 6-1.1-30-13

Subpoenas; oaths

Sec. 13. In order to obtain information that is necessary to the conduct by the department of local government finance of a necessary or proper inquiry, the department of local government finance or a department special representative, may:

(1) subpoena and examine witnesses;

(2) administer oaths; and
(3) subpoena and examine books or papers which are in the hands of any person.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.101; P.L.198-2001, SEC.72.

IC 6-1.1-30-14
Powers and duties of department

Sec. 14. The department of local government finance:
(1) shall see that the property taxes due this state are collected;
(2) shall see that the penalties prescribed under this article are enforced;
(3) shall investigate the property tax laws and systems of other states and countries;
(4) for assessment dates after December 31, 2008, shall conduct all ratio studies required for:
(A) equalization under 50 IAC 14; and
(B) annual adjustments under 50 IAC 21; and
(5) may recommend changes in this state's property tax laws to the general assembly.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.6, SEC.11; P.L.198-2001, SEC.73; P.L.219-2007, SEC.74.

IC 6-1.1-30-14.5
Payment for services provided by professionals

Sec. 14.5. The department of local government finance shall adopt rules under IC 4-22-2 to limit the basis of payment for services provided by all professionals, including but not limited to attorneys, architects, and construction managers, who work on capital projects, to a fee for service agreement and may not adopt a rule authorizing the basis of payment for the services to be a percentage of the cost of the capital project.

As added by P.L.25-1995, SEC.53. Amended by P.L.198-2001, SEC.74.

IC 6-1.1-30-15
Repealed

(Repealed by P.L.3-1997, SEC.477.)

IC 6-1.1-30-16
Public access; property tax data

Sec. 16. The department of local government finance is the agency through which public access to information provided for a county to both the department of local government finance and the legislative services agency shall be provided. This information to which this section applies includes information provided under the following:
(1) IC 5-14-1.5-2.
(2) IC 6-1.1-4-18.5.
(3) IC 6-1.1-4-19.5.

(4) IC 6-1.1-4-25.
(5) IC 6-1.1-5.5-3.
(6) IC 6-1.1-11-8.
(7) IC 6-1.1-31.5-3.5.
(8) IC 6-1.1-33.5-3.
(9) IC 36-2-9-20.

As added by P.L.234-2007, SEC.204.

IC 6-1.1-30-17
Compliance with reporting requirements; recovery of additional costs related to assisting certain counties to issue timely tax bills

Sec. 17. (a) Except as provided in subsection (c) and subject to subsection (d), the department of state revenue and the auditor of state shall, when requested by the department of local government finance, withhold a percentage of the distributions of county adjusted gross income tax distributions under IC 6-3.5-1.1, county option income tax distributions under IC 6-3.5-6, or county economic development income tax distributions under IC 6-3.5-7 that would otherwise be distributed to the county under the schedules in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-17, IC 6-3.5-6-17.3, IC 6-3.5-7-16, and IC 6-3.5-7-17.3, if:

(1) the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25;
(2) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;
(3) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure form data under IC 6-1.1-5.5-3;
(4) the county auditor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);
(5) by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;
(6) the county does not maintain a certified computer system that meets the requirements of IC 6-1.1-31.5-3.5;
(7) the county auditor has not transmitted the data described in IC 36-2-9-20 to the department of local government finance in the form and on the schedule specified by IC 36-2-9-20;
(8) the county has not established a parcel index numbering system under 50 IAC 23-8-1 in a timely manner;
(9) a county official has not provided other information to the department of local government finance in a timely manner as required by the department of local government finance; or
(10) the department of local government finance incurs

additional costs to assist a covered county (as defined in IC 6-1.1-22.6-1) to issue tax statements within the time frame specified in IC 6-1.1-22.6-18(b) for each year that the county experienced delayed property taxes (as defined in IC 6-1.1-22.6-2) before the year in which the county qualifies as a covered county.

The percentage to be withheld is the percentage determined by the department of local government finance. However, the percentage withheld for a reason stated in subdivision (10) may not exceed the percentage needed to reimburse the department of local government finance for the costs incurred by the department of local government finance to take the actions necessary to permit a covered county (as defined in IC 6-1.1-22.6-1) to issue reconciling tax statements for prior year delayed property taxes (as defined in IC 6-1.1-22.6-2) within the time frame specified in IC 6-1.1-22.6-18(b). The county governmental taxing unit of a covered county (as defined in IC 6-1.1-22.6-1) shall reimburse the department of local government finance for these expenses. The amount withheld under subdivision (10) reduces only the amount that would otherwise be distributed to the county governmental taxing unit of a covered county (as defined in IC 6-1.1-22.6-1) and not money distributable to any other political subdivision. The withholding of an amount under subdivision (10) does not relieve the county government of a covered county (as defined in IC 6-1.1-22.6-1) from making bond or lease payments that would otherwise be paid from withheld amounts or providing property tax credits that would otherwise be provided under IC 6-3.5 from withheld amounts. Subdivision (10) does not apply to any county other than a covered county (as defined in IC 6-1.1-22.6-1).

(b) Except as provided in subsection (e), money not distributed for the reasons stated in subsection (a) shall be distributed to the county when the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

has been corrected.

(c) The restrictions on distributions under subsection (a) do not apply if the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(d) The department of local government finance shall give the county auditor at least thirty (30) days notice in writing before the department of state revenue or the auditor of state withholds a distribution under subsection (a).

(e) Money not distributed for the reason stated in subsection (a)(2) may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not subject to distribution under subsection (b).

(f) This subsection applies to a county that will not receive a

distribution under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7. At the request of the department of local government finance, an amount permitted to be withheld under subsection (a) may be withheld from any state revenues that would otherwise be distributed to the county or one (1) or more taxing units in the county.

As added by P.L.146-2008, SEC.268. Amended by P.L.112-2012, SEC.43; P.L.137-2012, SEC.39.

IC 6-1.1-31

Chapter 31. Department of Local Government Finance–Adoption of Rules, Forms, and Returns

IC 6-1.1-31-1

Duties of department; rules

Sec. 1. (a) The department of local government finance shall do the following:

(1) Prescribe the property tax forms and returns which taxpayers are to complete and on which the taxpayers' assessments will be based.

(2) Prescribe the forms to be used to give taxpayers notice of assessment actions.

(3) Adopt rules concerning the assessment of tangible property.

(4) Develop specifications that prescribe state requirements for computer software and hardware to be used by counties for assessment purposes. The specifications developed under this subdivision apply only to computer software and hardware systems purchased for assessment purposes after July 1, 1993. The specifications, including specifications in a rule or other standard adopted under IC 6-1.1-31.5, must provide for:

(A) maintenance of data in a form that formats the information in the file with the standard data, field, and record coding jointly required and approved by the department of local government finance and the legislative services agency;

(B) data export and transmission that is compatible with the data export and transmission requirements in a standard format prescribed by the office of technology established by IC 4-13.1-2-1 and jointly approved by the department of local government finance and legislative services agency; and

(C) maintenance of data in a manner that ensures prompt and accurate transfer of data to the department of local government finance and the legislative services agency, as jointly approved by the department of local government and legislative services agency.

(5) Adopt rules establishing criteria for the revocation of a certification under IC 6-1.1-35.5-6.

(b) The department of local government finance may adopt rules that are related to property taxation or the duties or the procedures of the department.

(c) Rules of the state board of tax commissioners are for all purposes rules of the department of local government finance and the Indiana board until the department and the Indiana board adopt rules to repeal or supersede the rules of the state board of tax commissioners.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.41-1993, SEC.23; P.L.198-2001, SEC.75; P.L.146-2008, SEC.269.

IC 6-1.1-31-2
Operating procedure

Sec. 2. The department of local government finance may promulgate rules, property tax forms, property tax returns, and notice forms in the manner prescribed in IC 4-22-2. However, the department of local government finance may, at any time, make a nonsubstantive change in a promulgated property tax form or return if the change is advisable because of the special nature of equipment which is available in a particular county.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.41-1993, SEC.24; P.L.90-2002, SEC.218.

IC 6-1.1-31-3
Information considered in preparation of rules, regulations, property tax forms, and property tax returns

Sec. 3. In the preparation of rules, regulations, property tax forms, and property tax returns, the department of local government finance may consider:

(1) data compiled by the federal government;
(2) data compiled by this state and its taxing authorities;
(3) data compiled and studies made by a state college or university;
(4) generally accepted practices of appraisers, including generally accepted property assessment valuation and mass appraisal principles and practices;
(5) generally accepted indices of construction costs;
(6) for assessment dates after February 28, 2001, generally accepted indices of income accruing from real property;
(7) sales data compiled for generally comparable properties; and
(8) any other information which is available to the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.102; P.L.90-2002, SEC.219; P.L.1-2004, SEC.38 and P.L.23-2004, SEC.41.

IC 6-1.1-31-4
Copies of promulgations

Sec. 4. When the department of local government finance prescribes or promulgates a rule, regulation, property tax form, property tax return, notice form, bulletin, directive, or any other paper, the department shall:

(1) send copies of it to the local taxing officials;
(2) send a copy of it to the executive director of the legislative services agency in an electronic format under IC 5-14-6, if it is not published in the Indiana Register under IC 4-22; and
(3) maintain copies of it for general distribution.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.220; P.L.146-2008, SEC.270.

IC 6-1.1-31-5

True tax value; factors considered by assessing officials

Sec. 5. (a) Subject to this article, the rules adopted by the department of local government finance are the basis for determining the true tax value of tangible property.

(b) Assessing officials shall:

(1) comply with the rules, appraisal manuals, bulletins, and directives adopted by the department of local government finance;

(2) use the property tax forms, property tax returns, and notice forms prescribed by the department; and

(3) collect and record the data required by the department.

(c) In assessing tangible property, the assessing officials may consider factors in addition to those prescribed by the department of local government finance if the use of the additional factors is first approved by the department. Each assessing official shall indicate on the official's records for each individual assessment whether:

(1) only the factors contained in the department's rules, forms, and returns have been considered; or

(2) factors in addition to those contained in the department's rules, forms, and returns have been considered.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.22; P.L.6-1997, SEC.103; P.L.90-2002, SEC.221; P.L.1-2004, SEC.39 and P.L.23-2004, SEC.42; P.L.146-2008, SEC.271.

IC 6-1.1-31-6

Real property assessment; classification of land and improvements

Sec. 6. (a) With respect to the assessment of real property, the rules of the department of local government finance shall provide for:

(1) the classification of land on the basis of:

(i) acreage;

(ii) lots;

(iii) size;

(iv) location;

(v) use;

(vi) productivity or earning capacity;

(vii) applicable zoning provisions;

(viii) accessibility to highways, sewers, and other public services or facilities; and

(ix) any other factor that the department determines by rule is just and proper; and

(2) the classification of improvements on the basis of:

(i) size;

(ii) location;

(iii) use;

(iv) type and character of construction;

(v) age;

(vi) condition;

(vii) cost of reproduction; and

(viii) any other factor that the department determines by rule is just and proper.

(b) With respect to the assessment of real property, the rules of the department of local government finance shall include instructions for determining:

(1) the proper classification of real property;

(2) the size of real property;

(3) the effects that location and use have on the value of real property;

(4) the productivity or earning capacity of:

(A) agricultural land; and

(B) real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more;

(5) sales data for generally comparable properties; and

(6) the true tax value of real property based on the factors listed in this subsection and any other factor that the department determines by rule is just and proper.

(c) With respect to the assessment of real property, true tax value does not mean fair market value. Subject to this article, true tax value is the value determined under the rules of the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.27; P.L.42-1984, SEC.2; P.L.24-1986, SEC.23; P.L.90-2002, SEC.222; P.L.1-2004, SEC.40 and P.L.23-2004, SEC.43; P.L.154-2006, SEC.52.

IC 6-1.1-31-7

Assessment of personal property; classification

Sec. 7. (a) With respect to the assessment of personal property, the rules of the department of local government finance shall provide for the classification of personal property on the basis of:

(1) date of purchase;

(2) location;

(3) use;

(4) depreciation, obsolescence, and condition; and

(5) any other factor that the department determines by rule is just and proper.

(b) With respect to the assessment of personal property, the rules of the department of local government finance shall include instructions for determining:

(1) the proper classification of personal property;

(2) the effect that location has on the value of personal property;

(3) the cost of reproducing personal property;

(4) the depreciation, including physical deterioration and obsolescence, of personal property;

(5) the productivity or earning capacity of mobile homes regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more;

(6) the true tax value of mobile homes assessed under IC 6-1.1-7 (other than mobile homes subject to the preferred valuation method under IC 6-1.1-4-39(b)) as the least of the values

determined using the following:

(A) The National Automobile Dealers Association Guide.

(B) The purchase price of a mobile home if:

(i) the sale is of a commercial enterprise nature; and

(ii) the buyer and seller are not related by blood or marriage.

(C) Sales data for generally comparable mobile homes;

(7) the true tax value at the time of acquisition of computer application software, for the purpose of deducting the value of computer application software from the acquisition cost of tangible personal property whenever the value of the tangible personal property that is recorded on the taxpayer's books and records reflects the value of the computer application software; and

(8) the true tax value of personal property based on the factors listed in this subsection and any other factor that the department determines by rule is just and proper.

(c) In providing for the classification of personal property and the instructions for determining the items listed in subsection (b), the department of local government finance shall not include the value of land as a cost of producing tangible personal property subject to assessment.

(d) With respect to the assessment of personal property, true tax value does not mean fair market value. Subject to this article, true tax value is the value determined under rules of the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.63, SEC.5; P.L.42-1984, SEC.3; P.L.24-1986, SEC.24; P.L.90-2002, SEC.223; P.L.1-2004, SEC.41 and P.L.23-2004, SEC.44; P.L.214-2005, SEC.15.

IC 6-1.1-31-8

Exchange of information with other states or United States

Sec. 8. The department of local government finance may adopt rules and regulations to govern the interchange of information with an officer or agency of another state or the United States. The department of local government finance may, pursuant to those rules and regulations, furnish any information in its possession to such an officer or agency if the information is furnished under a reciprocal arrangement which provides that the department shall receive like information from the officer or agency.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.224.

IC 6-1.1-31-9

Reassessment; adoption of rules; time limit; readoption and approval of rules

Sec. 9. (a) Except as provided in subsection (b), the department of local government finance may not adopt rules for the appraisal of real property:

(1) in a general reassessment under IC 6-1.1-4-4; or
(2) in a reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

after July 1 of the year before the year in which the reassessment is scheduled to begin.

(b) If rules described in subsection (a) are timely adopted under subsection (a) and are then disapproved by the attorney general for any reason under IC 4-22-2-32, the department of local government finance may modify the rules to cure the defect that resulted in disapproval by the attorney general, and may then take all actions necessary under IC 4-22-2 to readopt and to obtain approval of the rules. This process may be repeated as necessary until the rules are approved.

As added by P.L.14-1983, SEC.3. Amended by P.L.55-1986, SEC.3; P.L.90-2002, SEC.225; P.L.112-2012, SEC.44.

IC 6-1.1-31-10

Rules governing filing, refunds, and tax payments relating to amended personal property returns

Sec. 10. (a) The department of local government finance shall adopt rules under IC 4-22-2 to govern the:

(1) filing of amended personal property tax returns under IC 6-1.1-3-7.5; and
(2) refunds, additional assessments, and tax payments related to an amended personal property tax return.

(b) The rules adopted under subsection (a) may provide that the tax adjustments related to an amended return shall be delayed to a year after the year in which personal property taxes related to the original personal property tax return are first due and payable.

As added by P.L.6-1997, SEC.104. Amended by P.L.90-2002, SEC.226.

IC 6-1.1-31-11

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-31-11.5

Rules governing practice of representatives in proceedings

Sec. 11.5. (a) Subject to subsection (b), the department of local government finance shall adopt rules under IC 4-22-2 to govern the practice of representatives in proceedings before the property tax assessment board of appeals and the department of local government finance.

(b) Except as provided in subsection (c), a rule adopted under subsection (a) may not:

(1) restrict the ability of a representative to practice before the property tax assessment board of appeals or the department of local government finance based on the fact that the representative is not an attorney admitted to the Indiana bar; or
(2) restrict the admissibility of written or oral testimony of a

representative or other witness based upon the manner in which the representative or other witness is compensated.

(c) A rule adopted under subsection (a) may require a representative in a proceeding before the property tax assessment board of appeals or the department of local government finance to be an attorney admitted to the Indiana bar if the matter under consideration in the proceeding is:

(1) an exemption for which an application is required under IC 6-1.1-11;

(2) a claim that taxes are illegal as a matter of law;

(3) a claim regarding the constitutionality of an assessment; or

(4) any other matter that requires representation that involves the practice of law.

(d) This subsection applies to a petition that is filed with the property tax assessment board of appeals or a matter under consideration by the department of local government finance before the adoption of a rule under subsection (a) that establishes new standards for:

(1) the presentation of evidence or testimony; or

(2) the practice of representatives.

The property tax assessment board of appeals or the department of local government finance may not dismiss a petition or reject consideration of a matter solely for failure to comply with the rule adopted under subsection (a) without providing the petitioner with an opportunity to present evidence, testimony, or representation in compliance with the rule.

As added by P.L.198-2001, SEC.77.

IC 6-1.1-31-12

Rules governing reduction and increase of assessed valuations

Sec. 12. The state board of tax commissioners shall adopt rules under IC 4-22-2 to govern the reduction and increase of assessed valuations by the county assessor under IC 6-1.1-13 to attain a just and equal basis of assessment among the taxpayers in the county. The rules must specify the procedures and standards to be used by the county assessor.

As added by P.L.6-1997, SEC.106.

IC 6-1.1-31-13

Repealed

(Repealed by P.L.133-2012, SEC.51.)

IC 6-1.1-31.5

Chapter 31.5. Computer Specifications

IC 6-1.1-31.5-1

"Department" defined

Sec. 1. As used in this chapter "department" means the department of local government finance.

As added by P.L.6-1997, SEC.107. Amended by P.L.90-2002, SEC.227.

IC 6-1.1-31.5-2

Department of local government finance rules for computer specifications; county contracts permitted only with providers certified by the department; department as party to contract

Sec. 2. (a) Subject to section 3.5 of this chapter, the department shall adopt rules under IC 4-22-2 to prescribe computer specification standards and for the certification of:

(1) computer software;

(2) software providers;

(3) computer service providers; and

(4) computer equipment providers.

(b) The rules of the department shall provide for:

(1) the effective and efficient administration of assessment laws;

(2) the prompt updating of assessment data;

(3) the administration of information contained in the sales disclosure form, as required under IC 6-1.1-5.5; and

(4) other information necessary to carry out the administration of the property tax assessment laws.

(c) After June 30, 2008, subject to section 3.5 of this chapter, a county:

(1) may contract only for computer software and with software providers, computer service providers, and equipment providers that are certified by the department under the rules described in subsection (a); and

(2) may enter into a contract referred to in subdivision (1) and any addendum to the contract only if the department is a party to the contract and the addendum.

As added by P.L.6-1997, SEC.107. Amended by P.L.90-2002, SEC.228; P.L.228-2005, SEC.25; P.L.146-2008, SEC.272; P.L.182-2009(ss), SEC.168.

IC 6-1.1-31.5-3

Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-31.5-3.5

State certified computer system; uniform and common property tax management system; advisory committee

Sec. 3.5. (a) Until the system described in subsection (e) is implemented, each county shall maintain a state certified computer

system that has the capacity to:

(1) process and maintain assessment records;

(2) process and maintain standardized property tax forms;

(3) process and maintain standardized property assessment notices;

(4) maintain complete and accurate assessment records for the county; and

(5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor shall select the computer system.

(b) All information on a computer system referred to in subsection (a) shall be readily accessible to:

(1) the department of local government finance; and

(2) assessing officials.

(c) The certified system referred to in subsection (a) used by the counties must be:

(1) compatible with the data export and transmission requirements in a standard format prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(2) maintained in a manner that ensures prompt and accurate transfer of data to the department of local government finance and the legislative services agency.

(d) All standardized property forms and notices on the certified computer system referred to in subsection (a) shall be maintained by the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

(e) The department shall adopt rules before July 1, 2006, for the establishment of:

(1) a uniform and common property tax management system for all counties that:

(A) includes a combined mass appraisal and county auditor system integrated with a county treasurer system; and

(B) replaces the computer system referred to in subsection (a); and

(2) a schedule for implementation of the system referred to in subdivision (1) structured to result in the implementation of the system in all counties with respect to an assessment date:

(A) determined by the department; and

(B) specified in the rule.

(f) The department shall appoint an advisory committee to assist the department in the formulation of the rules referred to in subsection (e). The department shall determine the number of members of the committee. The committee:

(1) must include at least:

(A) one (1) township assessor;

(B) one (1) county assessor;

(C) one (1) county auditor; and

(D) one (1) county treasurer; and

(2) shall meet at times and locations determined by the

department.

(g) Each member of the committee appointed under subsection (f) who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(h) Each member of the committee appointed under subsection (f) who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(i) The department shall report to the budget committee in writing the department's estimate of the cost of implementation of the system referred to in subsection (e).

As added by P.L.198-2001, SEC.80. Amended by P.L.88-2005, SEC.11; P.L.177-2005, SEC.28; P.L.228-2005, SEC.26; P.L.146-2008, SEC.273.

IC 6-1.1-31.5-4

Rules for statewide guidelines for standardized forms and notices

Sec. 4. The department shall adopt rules and procedures to provide statewide guidelines for standardized forms and notices.

As added by P.L.6-1997, SEC.107. Amended by P.L.90-2002, SEC.229.

IC 6-1.1-31.5-5

Revocation of certification; qualifications of providers

Sec. 5. (a) The department may revoke a certification issued under section 2 of this chapter for at least three (3) years if it determines:

(1) that information given by an applicant was false; or

(2) the product, provider, or service certified does not meet the minimum requirements of the department.

(b) If a certification is revoked, any Indiana contract that the provider has is void and the contractor may not receive any additional funds under the contract.

(c) An individual at least eighteen (18) years of age who resides in Indiana and any corporation that satisfies the requirements of this chapter and the rules of the department may be certified as:

(1) a software provider;

(2) a service provider; or

(3) a computer equipment provider.

(d) A person may not sell, buy, trade, exchange, option, lease, or rent software, computer equipment, or service to a county under this chapter without a certification from the department.

(e) A contract for computer software, computer equipment, a computer operating program or computer system service providers

under this chapter must contain a provision specifying that the contract is void if the provider's certification is revoked.

(f) The department may not limit the number of systems or providers certified by this chapter so long as the system or provider meets the specifications or standards of the department.

As added by P.L.6-1997, SEC.107. Amended by P.L.90-2002, SEC.230; P.L.228-2005, SEC.27.

IC 6-1.1-31.7

Chapter 31.7. Professional Appraisers and Professional Appraisal Firms

IC 6-1.1-31.7-1

"Appraiser" defined

Sec. 1. As used in this chapter, "appraiser" refers to a professional appraiser or a professional appraisal firm that contracts with a county under IC 6-1.1-4.

As added by P.L.6-1997, SEC.108. Amended by P.L.146-2008, SEC.274.

IC 6-1.1-31.7-2

"Department" defined

Sec. 2. As used in this chapter, "department" means the department of local government finance.

As added by P.L.6-1997, SEC.108. Amended by P.L.90-2002, SEC.231.

IC 6-1.1-31.7-3

Rules

Sec. 3. (a) The department shall adopt rules under IC 4-22-2 for the certification and regulation of appraisers.

(b) Subject to subsection (d), the rules of the department shall provide for the following:

(1) Minimum appraiser qualifications.

(2) Minimum appraiser certification, training, and recertification requirements.

(3) Sanctions for noncompliance with assessing laws and the rules of the department, including laws and rules that set time requirements for the completion of assessments.

(4) Appraiser contract requirements.

(5) Other provisions necessary to carry out the administration of the property tax assessment laws.

(c) After December 31, 1998, a county or township may contract only with appraisers that are certified by the department under the rules described in subsection (a).

(d) The rules referred to in subsection (b) that apply to contracts with appraisers entered into after December 31, 2008, must include level two assessor-appraiser certification under IC 6-1.1-35.5 as part of the minimum appraiser qualifications for each appraiser that performs assessments on behalf of the contractor.

As added by P.L.6-1997, SEC.108. Amended by P.L.90-2002, SEC.232; P.L.146-2008, SEC.275.

IC 6-1.1-31.7-3.5

Limitation on appraiser or technical advisor serving as tax representative

Sec. 3.5. (a) Subject to subsection (b), an individual or a firm that is:

(1) an appraiser; or

(2) a technical advisor under IC 6-1.1-4;

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 property tax assessment board of appeals of that county or the Indiana board of tax review.

(b) Subsection (a) does not apply to tax representation in a county with respect to an issue of a taxpayer if:

(1) the individual or firm representing the taxpayer is no longer under contract as an appraiser or a technical advisor in the county as described in subsection (a); and

(2) the individual or firm was not directly involved with the issue of the taxpayer while under contract.

As added by P.L.228-2005, SEC.28.

IC 6-1.1-31.7-4

Revocation of certification

Sec. 4. (a) The department may revoke a certification issued under the rules adopted under section 3 of this chapter for at least three (3) years if it determines:

(1) that information given by an appraiser applicant was false; or

(2) the appraiser fails to meet the minimum requirements of the department.

(b) If a certification is revoked, any Indiana contract that the appraiser has is void and the contractor may not receive any additional funds under the contract.

(c) An individual at least eighteen (18) years of age who resides in Indiana and any corporation that satisfies the requirements of this chapter and the rules of the department may be certified as an appraiser.

(d) A contract for an appraiser under this chapter must contain a provision specifying that the contract is void if the appraiser's certification is revoked.

(e) The department may not limit the number of appraisers certified by this chapter so long as the appraiser meets the specifications or standards of the department.

As added by P.L.6-1997, SEC.108. Amended by P.L.90-2002, SEC.233.

IC 6-1.1-32
Repealed

(Repealed by P.L.41-1993, SEC.53.)

IC 6-1.1-33
Repealed

(Repealed by P.L.178-2002, SEC.142.)

IC 6-1.1-33.5

Chapter 33.5. Department of Local Government Finance Division of Data Analysis

IC 6-1.1-33.5-1

Establishment of division

Sec. 1. A division of the department of local government finance is established, to be known as the division of data analysis.

As added by P.L.198-2001, SEC.82.

IC 6-1.1-33.5-2

Electronic data base; software; data analysis; studies; reports

Sec. 2. The division of data analysis shall do the following:

(1) Compile an electronic data base that includes the following:

(A) The local government data base.

(B) Information on sales of real and personal property, including nonconfidential information from sales disclosure forms filed under IC 6-1.1-5.5.

(C) Personal property assessed values and data entries on personal property return forms.

(D) Real property assessed values and data entries on real property assessment records.

(E) Information on property tax exemptions, deductions, and credits.

(F) Any other data relevant to the accurate determination of real property and personal property tax assessments.

(2) Make available to each county and township software that permits the transfer of the data described in subdivision (1) to the division in a uniform format through a secure connection over the Internet.

(3) Analyze the data compiled under this section for the purpose of performing the functions under section 3 of this chapter.

(4) Conduct continuing studies of personal and real property tax deductions, abatements, and exemptions used throughout Indiana. The division of data analysis shall, before May 1 of each even-numbered year, report on the studies at a meeting of the budget committee and submit a report on the studies to the legislative services agency for distribution to the members of the legislative council. The report must be in an electronic format under IC 5-14-6.

As added by P.L.198-2001, SEC.82. Amended by P.L.28-2004, SEC.63; P.L.64-2004, SEC.14.

IC 6-1.1-33.5-3

Duties of the division of data analysis

Sec. 3. The division of data analysis shall:

(1) conduct continuing studies in the areas in which the department of local government finance operates;

(2) make periodic field surveys and audits of:

(A) tax rolls;

(B) plat books;
(C) building permits;
(D) real estate transfers; and
(E) other data that may be useful in checking property valuations or taxpayer returns;
(3) make test checks of property valuations to serve as the basis for special reassessments under this article;
(4) conduct annually a review of each coefficient of dispersion study for each township and county;
(5) conduct annually a review of each sales assessment ratio study for each township and county; and
(6) report annually to the executive director of the legislative services agency, in an electronic format under IC 5-14-6, the information obtained or determined under this section for use by the executive director and the general assembly, including:
(A) all information obtained by the division of data analysis from units of local government; and
(B) all information included in:
(i) the local government data base; and
(ii) any other data compiled by the division of data analysis.

As added by P.L.198-2001, SEC.82. Amended by P.L.192-2002(ss), SEC.45; P.L.256-2003, SEC.28; P.L.28-2004, SEC.64; P.L.182-2009(ss), SEC.169; P.L.257-2013, SEC.30.

IC 6-1.1-33.5-4
Powers of division

Sec. 4. To perform its duties, the division of data analysis may do the following:
(1) Request access to any local or state official records.
(2) Secure information from the federal government or from public or private agencies.
(3) Inspect a person's books, records, or property.
(4) Conduct a review of either all or a random sampling of personal or real property assessments.
(5) Employ professional appraisal firms to assist in making test checks of property valuations.
(6) Recommend changes in property tax administration.
(7) Use any other device or technique to equalize tax burdens or to implement this chapter.

As added by P.L.198-2001, SEC.82.

IC 6-1.1-33.5-5
Confidentiality of information

Sec. 5. Information that has been provided to the legislative services agency or the division of data analysis by the federal government or by a public agency is subject to the provider's rules, if any, that concern the confidential nature of the information.

As added by P.L.198-2001, SEC.82.

IC 6-1.1-33.5-6
Review; special reassessments

Sec. 6. (a) With respect to any township or county for any year, the department of local government finance may initiate a review to determine whether to order a special reassessment under this chapter. The review may apply to real property or personal property, or both.

(b) If the department of local government finance determines under subsection (a) to initiate a review with respect to the real property subject to reassessment under IC 6-1.1-4-4 within a township or county, or a portion of the real property within a township or county, the division of data analysis of the department shall determine for the real property under consideration and for the township or county the variance between:

(1) the total assessed valuation of the real property within the township or county; and

(2) the total assessed valuation that would result if the real property within the township or county were valued in the manner provided by law.

(c) If the department of local government finance determines under subsection (a) to initiate a review with respect to the real property within a particular cycle under a county's reassessment plan prepared under IC 6-1.1-4-4.2 or a part of the real property within a cycle, the division of data analysis of the department shall determine for the real property under consideration and for all groups of parcels within a particular cycle the variance between:

(1) the total assessed valuation of the real property within all groups of parcels within a particular cycle; and

(2) the total assessed valuation that would result if the real property within all groups of parcels within a particular cycle were valued in the manner provided by law.

(d) If the department of local government finance determines under subsection (a) to initiate a review with respect to personal property within a township or county, or a part of the personal property within a township or county, the division of data analysis of the department shall determine for the personal property under consideration and for the township or county the variance between:

(1) the total assessed valuation of the personal property within the township or county; and

(2) the total assessed valuation that would result if the personal property within the township or county were valued in the manner provided by law.

(e) The determination of the department of local government finance under section 2 or 3 of this chapter must be based on a statistically valid assessment ratio study.

(f) If a determination of the department of local government finance to order a special reassessment under this chapter is based on a coefficient of dispersion study, the department shall publish the coefficient of dispersion study for the township or county in accordance with IC 5-3-1-2(j).

(g) If:

(1) the variance determined under subsection (b), (c), or (d) exceeds twenty percent (20%); and

(2) the department of local government finance determines after holding hearings on the matter that a special reassessment should be conducted;

the department shall contract for a special reassessment to be conducted to correct the valuation of the property.

(h) If the variance determined under subsection (b), (c), or (d) is twenty percent (20%) or less, the department of local government finance shall determine whether to correct the valuation of the property under:

(1) IC 6-1.1-4-9 and IC 6-1.1-4-10; or

(2) IC 6-1.1-14.

(i) The department of local government finance shall give notice to a taxpayer, by individual notice or by publication at the discretion of the department, of a hearing concerning the department's intent to cause the assessment of the taxpayer's property to be adjusted under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed or published. The department may conduct a single hearing under this section with respect to multiple properties. The notice must state:

(1) the time of the hearing;

(2) the location of the hearing; and

(3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the department's intent to adjust the assessment of property under this chapter.

(j) If the department of local government finance determines after the hearing that the assessment of property should be adjusted under this chapter, the department shall:

(1) cause the assessment of the property to be adjusted;

(2) mail a certified notice of its final determination to the county auditor of the county in which the property is located; and

(3) notify the taxpayer as required under IC 6-1.1-14.

(k) A reassessment or adjustment may be made under this section only if the notice of the final determination is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

(l) If the department of local government finance contracts for a special reassessment of property under this chapter, the department shall forward the bill for services of the reassessment contractor to the county auditor, and the county shall pay the bill from the county reassessment fund.

As added by P.L.198-2001, SEC.82. Amended by P.L.112-2012, SEC.45.

IC 6-1.1-33.5-7

Expenditure reports by political subdivision; per capita information; Internet publication

Sec. 7. (a) Not later than May 1 of each calendar year, the division of data analysis shall:

(1) prepare a report that includes:

(A) each political subdivision's total amount of expenditures per person during the immediately preceding calendar year, based on the political subdivision's population determined by the most recent federal decennial census; and

(B) based on the information prepared for all political subdivisions under clause (A), the highest, lowest, median, and average amount of expenditures per person for each type of political subdivision throughout Indiana.

(2) post the report on the web site maintained by the department of local government finance; and

(3) file the report:

(A) with the governor; and

(B) in an electronic format under IC 5-14-6 with the general assembly.

The report must be presented in a format that is understandable to the average individual and that permits easy comparison of the information prepared for each political subdivision under subdivision (1)(A) to the statewide information prepared for that type of political subdivision under subdivision (1)(B).

(b) The department of local government finance shall organize the report under subsection (a) to present together the information derived from each type of political subdivision.

As added by P.L.199-2005, SEC.14.

IC 6-1.1-33.5-8

Administration of data base by contractor; standards

Sec. 8. (a) This section applies to a system designed to permit the department of local government finance or a provider in a partnership or another arrangement with the department of local government finance to do any of the following:

(1) Receive data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or IC 36-2-9-20 in a uniform format through a secure connection over the Internet.

(2) Maintain data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or IC 36-2-9-20 in an electronic data base.

(3) Provide public access to data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or IC 36-2-9-20.

(b) A system described in subsection (a) must do the following:

(1) Maintain the confidentiality of data that is declared to be confidential by IC 6-1.1-5.5-3, IC 6-1.1-5.5-5, IC 6-1.1-35-9, or other provisions of law.

(2) Provide prompt notice to the department of local government finance and legislative services agency of the receipt of data from counties and townships and other critical events, as jointly determined by the department of local government finance and the legislative services agency.

(3) Maintain data in a form that formats the information in the file with the standard data, field, and record coding jointly required and approved by the department of local government finance and the legislative services agency.

(4) Provide data export and transmission capabilities that are compatible with the data export and transmission requirements prescribed by the office of technology established by IC 4-13.1-2-1 and jointly approved by the department of local government finance and the legislative services agency.

(5) Provide to the legislative services agency and the department of local government finance unrestricted on line access and access through data export and transmission protocols to:

(A) the data transmitted to the system; and

(B) hardware, software, and other work product associated with the system;

including access to conduct the tests and inspections of the system and data determined necessary by the legislative services agency and access to data received from counties and townships in the form submitted by the counties and townships.

(6) Maintain data in a manner that provides for prompt and accurate transfer of data to the department of local government finance and the legislative services agency, as jointly approved by the department of local government finance and the legislative services agency.

(c) The department of local government finance and any third party system provider shall provide for regular consultation with the legislative services agency concerning the development and operation of the system and shall provide the legislative services agency with copies of system documentation of the procedures, standards, and internal controls and any written agreements related to the receipt of data and the management, operation, and use of the system.

As added by P.L.146-2008, SEC.276.

IC 6-1.1-33.5-9

Report to legislative council

Sec. 9. The department of local government finance shall report before July 1 of each year to the legislative council concerning compliance with section 8 of this chapter.

As added by P.L.146-2008, SEC.277.

IC 6-1.1-34

Chapter 34. Determination of School Assessment Ratios and Adjustment Factors

IC 6-1.1-34-1

Department of local government finance computation of new assessment ratios for certain school corporations; publication of new ratios

Sec. 1. In the year after:

(1) a general assessment of real property under IC 6-1.1-4-4 becomes effective; or

(2) a reassessment cycle of real property under a county's reassessment plan prepared under IC 6-1.1-4-4.2 is completed;

the department of local government finance shall compute a new assessment ratio for each school corporation located in a county in which a supplemental county levy is imposed under IC 20-45-7 or IC 20-45-8. In all other years, the department shall compute a new assessment ratio for such a school corporation if the department finds that there has been sufficient reassessment or adjustment of one (1) or more classes of property in the school district. When the department of local government finance computes a new assessment ratio for a school corporation, the department shall publish the new ratio.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.237; P.L.246-2005, SEC.68; P.L.182-2009(ss), SEC.170; P.L.112-2012, SEC.46.

IC 6-1.1-34-2

Computation of school corporation assessment ratio

Sec. 2. A school corporation's assessment ratio for a particular year equals:

(1) the total assessed valuation of the property within the school district; divided by

(2) the total true tax value which the department of local government finance determines would result if the property within the school district were valued in the manner provided by law.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.27; P.L.90-2002, SEC.238.

IC 6-1.1-34-3

Repealed

(Repealed by P.L.182-2009(ss), SEC.463.)

IC 6-1.1-34-4

Random samplings of assessed values and true tax values

Sec. 4. In order to compute the assessment ratio for a school corporation, the department of local government finance shall first make a random sampling of the assessed values and true tax values of the following classes of real and personal property:

(1) Residential.
(2) Farm.
(3) Commercial.
(4) Industrial.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.24-1986, SEC.29; P.L.90-2002, SEC.240.

IC 6-1.1-34-5
Weighing classes of property within school district

Sec. 5. When computing the assessment ratio for a school corporation, the department of local government finance shall weight the ratio to reflect the relative importance of each class of property within the school district. Before calculating a school corporation's assessment ratio, the department of local government finance shall discuss the weight to be given to each class of property with:

(1) residents of the school district; and
(2) elected officials or other individuals who are familiar with the economic base of the school district.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.241.

IC 6-1.1-34-6
Notice of new assessment ratio

Sec. 6. (a) After the department of local government finance calculates a new assessment ratio for a school corporation and before publishing the new ratio, the department shall send a notice of the new assessment ratio to the county auditor, the county assessor, and the governing body of the school corporation. The department of local government finance shall send these notices before March 2 of each year in which the department calculates a new assessment ratio for the school corporation.

(b) Within thirty (30) days after notification of a new assessment ratio, the county auditor, the county assessor, or the governing body of the school corporation may:

(1) examine and verify the data of the department of local government finance; and
(2) make suggestions concerning the values established by the department.

(c) Before April 15 of each year in which the department of local government finance calculates a new assessment ratio for the school corporation, the department shall publish the new assessment ratio.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.273-1999, SEC.130; P.L.90-2002, SEC.242.

IC 6-1.1-34-7
Department of local government finance computation of new adjustment factors for school corporations; notice of new ratio; designated adjustment factor applies under certain circumstances

Sec. 7. (a) Each year in which the department of local government finance computes a new assessment ratio for a school corporation, the

department shall also compute a new adjustment factor for the school corporation. If the school corporation's assessment ratio for a year is more than ninety-nine percent (99%) but less than one hundred one percent (101%) of the state average assessment ratio for that year, the school corporation's adjustment factor is the number one (1). In all other cases, the school corporation's adjustment factor equals:

(1) the state average assessment ratio for a year; divided by

(2) the school corporation's assessment ratio for that year.

The department of local government finance shall notify the school corporation of its new adjustment factor before March 2 of the year in which the department calculates the new adjustment factor.

(b) This subsection applies in a calendar year after which:

(1) a general reassessment under IC 6-1.1-4-4 takes effect; or

(2) a cycle under a county's reassessment plan prepared under IC 6-1.1-4-4.2 is completed.

If the department of local government finance has not computed a new assessment ratio for a school corporation, the school corporation's adjustment factor is the number one (1) until the department of local government finance notifies the school corporation of the school corporation's new adjustment factor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.273-1999, SEC.131; P.L.90-2002, SEC.243; P.L.224-2003, SEC.138; P.L.182-2009(ss), SEC.171; P.L.112-2012, SEC.47.

IC 6-1.1-34-8

State funds; distribution formula

Sec. 8. For purposes of computing the amount of state funds to be distributed to a school corporation under a formula in which adjusted assessed valuation is a factor, the school corporation's adjusted assessed valuation, except as otherwise specifically provided by law, equals the product of (1) the assessed valuation of the property within the school district, multiplied by (2) the school corporation's current adjustment factor.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-34-9

Department of local government finance; powers and duties

Sec. 9. In order to perform the duties assigned to it under this chapter, the department of local government finance:

(1) shall conduct continuing studies of all property which is subject to assessment in this state;

(2) may request access to all local and state official records;

(3) may secure information from the federal government or from public or private agencies;

(4) may inspect a person's books, records, or property if the item is relevant to information which the department needs in order to implement this chapter; and

(5) may adopt appropriate forms and procedures.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.244.

IC 6-1.1-34-10
Withholding access to official records

Sec. 10. If a state or local official or employee does not give the department of local government finance access to official records which the department has asked to examine under section 9(2) of this chapter, the official's or employee's action is evidence of misconduct in the office or position which the official or employee holds.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.245.

IC 6-1.1-34-11
Confidential information

Sec. 11. Information which the department of local government finance has obtained from the federal government or a public agency under section 9(3) of this chapter is subject to the provider's rules and regulations, if any, which concern the confidential nature of the information. In addition, the information compiled by the department under this chapter is confidential until publication of the assessment ratio and then loses its confidential character only to the extent that it is used in determining the ratio.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.246.

IC 6-1.1-34-12
Repealed

(Repealed by P.L.198-2001, SEC.122.)

IC 6-1.1-35

Chapter 35. Supervision of Assessing Officials

IC 6-1.1-35-1

Duties of department of local government finance

Sec. 1. The department of local government finance shall:

(1) interpret the property tax laws of this state;

(2) instruct property tax officials about their taxation and assessment duties;

(3) see that all property assessments are made in the manner provided by law;

(4) conduct operational audits of the offices of assessing officials to determine if statutory and regulatory assignments are being completed in an effective, efficient, and productive manner; and

(5) develop and maintain a manual for all assessing officials and county assessors concerning:

(A) assessment duties and responsibilities of the various state and local officials;

(B) assessment procedures and time limits for the completion of assessment duties;

(C) changes in state assessment laws; and

(D) other matters relevant to the assessment duties of assessing officials, county assessors, and other county officials.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.110; P.L.90-2002, SEC.247; P.L.146-2008, SEC.278.

IC 6-1.1-35-1.1

Repealed

(Repealed by P.L.219-2007, SEC.150.)

IC 6-1.1-35-2

Visits by department of local government finance to county

Sec. 2. At least one (1) representative of the department of local government finance shall visit each county in this state at least once each year. During the visit, the representative of the department shall:

(1) gather information concerning complaints with and the operation of the property tax laws;

(2) see that property tax officials are complying with this article; and

(3) see that persons who violate this article are being punished.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.248.

IC 6-1.1-35-3

Instructional sessions; lodging, subsistence, and mileage allowances

Sec. 3. (a) The department of local government finance may require township assessors, county assessors, or members of the county property tax assessment board of appeals, county auditors,

and their employees to attend instructional sessions held by the department or held by others but approved by the department. An assessing official, or an employee who is required to attend an instructional session or who, at the department's request, meets with the department on official business shall receive:

(1) a lodging allowance for each night preceding session attendance not less than the lodging allowance equal to the lesser of:

(A) the cost of a standard room rate at the hotel where the session is held; or

(B) the actual cost of lodging paid;

(2) a subsistence allowance for meals for each day in attendance not less than the subsistence allowance for meals paid to state employees in travel status, but not more than the maximum subsistence allowance permitted under the regulations of the General Services Administration for federal employees in travel status, as reported in the Federal Register;

(3) a mileage allowance equal to that sum per mile paid to state officers and employees. The rate per mile shall change each time the state government changes its rate per mile; and

(4) an allowance equal to the cost of parking at the convention site.

The amount a county assessor, a township assessor, a member of a county property tax assessment board of appeals, or an employee shall receive under subdivision (2) shall be established by the county fiscal body.

(b) If a county assessor, a township assessor, a member of a county property tax assessment board of appeals, or an employee is entitled to receive an allowance under this section, the department of local government finance shall furnish the appropriate county auditor with a certified statement which indicates the dates of attendance. The official or employee may file a claim for payment with the county auditor. The county treasurer shall pay the warrant from the county general fund from funds not otherwise appropriated.

(c) In the case of one (1) day instructional sessions, a lodging allowance may be paid only to persons who reside more than fifty (50) miles from the session location. Regardless of the duration of the session, and even though more than one (1) person may have been transported, only one (1) mileage allowance may be paid to an official or employee furnishing the conveyance.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.15, SEC.6.) As amended by Acts 1980, P.L.48, SEC.1; P.L.14-1983, SEC.4; P.L.84-1995, SEC.5; P.L.6-1997, SEC.112; P.L.90-2002, SEC.249.

IC 6-1.1-35-4

Township assessors; instructional meetings

Sec. 4. Each county assessor shall annually call at least one (1) meeting of the township assessors of the county. At the meeting, the county assessor shall advise and instruct the township assessors with respect to their duties under the law. In addition, another purpose of

the meeting is to promote intra-county uniformity in assessment procedures. The county assessor may call additional meetings of the township assessors for the purposes stated in this section. A township assessor shall receive a per diem expense allowance for each day that he attends a meeting called by the county assessor under this section. The county council shall determine the amount of that per diem expense allowance.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-35-5
Township assessors; incompetency reported to department of local government finance

Sec. 5. If a township assessor does not perform his duties in a competent manner, the county assessor shall, in a written report, inform the department of local government finance of that fact.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.250.

IC 6-1.1-35-6
Repealed

(Repealed by P.L.14-1983, SEC.8.)

IC 6-1.1-35-7
Repealed

(Repealed by P.L.14-1983, SEC.8.)

IC 6-1.1-35-8
Repealed

(Repealed by P.L.14-1983, SEC.8.)

IC 6-1.1-35-9
Information considered confidential; use of confidential information; prohibition against disclosure; return to taxpayer of certain confidential information; exception for certain oil or gas interests

Sec. 9. (a) All information that is related to earnings, income, profits, losses, or expenditures and that is:

(1) given by a person to:
  (A) an assessing official;
  (B) an employee of an assessing official; or
  (C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; or

(2) acquired by:
  (A) an assessing official;
  (B) an employee of an assessing official; or
  (C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12;

in the performance of the person's duties;

is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential. Confidential information may be disclosed only in a manner that is authorized under subsection (b), (c), (d), or (g).

(b) Confidential information may be disclosed to:

(1) an official or employee of:

(A) this state or another state;

(B) the United States; or

(C) an agency or subdivision of this state, another state, or the United States;

if the information is required in the performance of the official duties of the official or employee;

(2) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee; or

(3) a state educational institution in order to develop data required under IC 6-1.1-4-42.

(c) The following state agencies, or their authorized representatives, shall have access to the confidential farm property records and schedules that are on file in the office of a county assessor:

(1) The Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases.

(2) The department of agricultural statistics of Purdue University, in order to perform its duties concerning the compilation and dissemination of agricultural statistics.

(3) Any other state agency that needs the information in order to perform its duties.

(d) Confidential information may be disclosed during the course of a judicial proceeding in which the regularity of an assessment is questioned.

(e) Confidential information that is disclosed to a person under subsection (b) or (c) retains its confidential status. Thus, that person may disclose the information only in a manner that is authorized under subsection (b), (c), or (d).

(f) Notwithstanding any other provision of law:

(1) a person who:

(A) is an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; and

(B) obtains confidential information under this section;

may not disclose that confidential information to any other person; and

(2) a person referred to in subdivision (1) must return all confidential information to the taxpayer not later than fourteen (14) days after the earlier of:

(A) the completion of the examination of the taxpayer's personal property return under IC 6-1.1-36-12; or

(B) the termination of the contract.

(g) Confidential information concerning an oil or gas interest, as described in IC 6-1.1-4-12.4, may be disclosed by an assessing official if the interest has been listed on the delinquent property tax list pursuant to IC 6-1.1-24-1 and is not otherwise removed from the property tax sale under IC 6-1.1-24. A person who establishes that the person may bid on an oil or gas interest in the context of a property tax sale may request from an assessing official all information necessary to properly identify and determine the value of the gas or oil interest that is the subject of the property tax sale. The information that may be disclosed includes the following:

(1) Lease information.

(2) The type of property interest being sold.

(3) The applicable percentage interest and the allocation of the applicable percentage interest among the owners of the oil or gas interest (including the names and addresses of all owners).

The official shall make information covered by this subsection available for inspection and copying in accordance with IC 5-14-3. Confidential information that is disclosed to a person under this subsection loses its confidential status. A person that is denied the right to inspect or copy information covered by this subsection may file a formal complaint with the public access counselor under the procedure prescribed by IC 5-14-5. However, a person is not required to file a complaint under IC 5-14-5 before filing an action under IC 5-14-3.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.28; P.L.6-1997, SEC.113; P.L.178-2002, SEC.37; P.L.146-2008, SEC.279; P.L.182-2009(ss), SEC.172; P.L.172-2011, SEC.47.

IC 6-1.1-35-10
Repealed

(Repealed by P.L.14-1983, SEC.8.)

IC 6-1.1-35-11
Dismissal of person who discloses confidential information in unauthorized manner; effect of unauthorized disclosure by contractor

Sec. 11. (a) An assessing official or an employee of an assessing official shall immediately be dismissed from that position if the person discloses in an unauthorized manner any information that is classified as confidential under section 9 of this chapter.

(b) If an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 discloses in an unauthorized manner any information that is classified as confidential under section 9 of this chapter:

(1) the contract between the entity and the board is void as of the date of the disclosure;

(2) the entity forfeits all right to payments owed under the contract after the date of disclosure;

(3) the entity and its affiliates are barred for three (3) years after the date of disclosure from entering into a contract with a board or a county assessor under IC 6-1.1-36-12; and

(4) the taxpayer whose information was disclosed has a right of action for triple damages against the entity.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.114; P.L.178-2002, SEC.38; P.L.146-2008, SEC.280.

IC 6-1.1-35-12

Unauthorized disclosure of confidential information; recovery of damages

Sec. 12. If a county or township official, a member of a county or state board, or an employee of such an official or board discloses in an unauthorized manner information which is classified as confidential under section 9 of this chapter, a person who owns property which the information pertains to may recover from the official, board member, or employee either:

(1) liquidated damages in the amount of five hundred dollars ($500); or

(2) the person's actual damages resulting from the unauthorized disclosure.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-35-13

Preparation of reports, plats, or other property tax records by department of local government finance; expenses

Sec. 13. (a) The department of local government finance may prepare a report, plat, or other property tax record if an official:

(1) fails to make a report which is required under the general assessment provisions of this article; or

(2) fails to deliver a plat or other property tax record to the appropriate officer or board.

(b) If the department of local government finance prepares a report, plat, or property tax record, the department shall certify the expenses incurred by the department to the township or county which is served by the official who failed to perform the duty. The township or county shall pay the amount of the expenses to the treasurer of state within thirty (30) days after the department's certification. The township or county may collect amounts which it pays under this section from the official who failed to perform the duty.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.251.

IC 6-1.1-35.2

Chapter 35.2. Training of Assessing Officials

IC 6-1.1-35.2-1

Repealed

(Repealed by P.L.146-2008, SEC.802.)

IC 6-1.1-35.2-2

Training sessions; per diem

Sec. 2. (a) In any year in which an assessing official takes office for the first time, the department of local government finance shall conduct training sessions determined under the rules adopted by the department under IC 4-22-2 for the new assessing officials. The sessions must be held at the locations described in subsection (b).

(b) To ensure that all newly elected or appointed assessing officials have an opportunity to attend the training sessions required by this section, the department of local government finance shall conduct the training sessions at a minimum of four (4) separate regional locations. The department shall determine the locations of the training sessions, but:

(1) at least one (1) training session must be held in the northeastern part of Indiana;

(2) at least one (1) training session must be held in the northwestern part of Indiana;

(3) at least one (1) training session must be held in the southeastern part of Indiana; and

(4) at least one (1) training session must be held in the southwestern part of Indiana.

The four (4) regional training sessions may not be held in Indianapolis. However, the department of local government finance may, after the conclusion of the four (4) training sessions, provide additional training sessions at locations determined by the department.

(c) Any new assessing official who attends:

(1) a required session during the official's term of office; or

(2) training between the date the person is elected to office and January 1 of the year the person takes office for the first time;

is entitled to receive the per diem per session set by the department of local government finance by rule adopted under IC 4-22-2 and a mileage allowance from the county in which the official resides.

(d) A person is entitled to a mileage allowance under this section only for travel between the person's place of work and the training session nearest to the person's place of work.

As added by P.L.24-1986, SEC.30. Amended by P.L.48-1990, SEC.2; P.L.41-1993, SEC.25; P.L.6-1997, SEC.116; P.L.198-2001, SEC.83; P.L.177-2002, SEC.9; P.L.256-2003, SEC.29; P.L.146-2008, SEC.281.

IC 6-1.1-35.2-3

Continuing education sessions; per diem

Sec. 3. (a) Each year the department of local government finance shall conduct the continuing education sessions required in the rules adopted by the department for all assessing officials and all hearing officers for the county property tax assessment board of appeals. These sessions must be conducted at the locations described in subsection (b).

(b) To ensure that all assessing officials and hearing officers have an opportunity to attend the continuing education sessions required by this section, the department of local government finance shall conduct the continuing education sessions at a minimum of four (4) separate regional locations. The department shall determine the locations of the continuing education sessions, but:

(1) at least one (1) continuing education session must be held in the northeastern part of Indiana;

(2) at least one (1) continuing education session must be held in the northwestern part of Indiana;

(3) at least one (1) continuing education session must be held in the southeastern part of Indiana; and

(4) at least one (1) continuing education session must be held in the southwestern part of Indiana.

The four (4) regional continuing education sessions may not be held in Indianapolis. However, the department of local government finance may, after the conclusion of the four (4) continuing education sessions, provide additional continuing education sessions at locations determined by the department.

(c) Any assessing official or hearing officer for the county property tax assessment board of appeals who attends required sessions is entitled to receive a mileage allowance and the per diem per session set by the department of local government finance by rule adopted under IC 4-22-2 from the county in which the official resides. A person is entitled to a mileage allowance under this section only for travel between the person's place of work and the training session nearest to the person's place of work.

As added by P.L.24-1986, SEC.30. Amended by P.L.48-1990, SEC.3; P.L.41-1993, SEC.26; P.L.6-1997, SEC.117; P.L.198-2001, SEC.84; P.L.146-2008, SEC.282.

IC 6-1.1-35.2-4

Subordinate training

Sec. 4. The training programs prescribed by this chapter must be designed so that the attendees at a program are prepared to train their subordinates. In addition, the training programs must include:

(1) a course on basic assessment administration with an examination; and

(2) the information necessary to obtain a level one certification under rules adopted by the department of local government finance.

As added by P.L.24-1986, SEC.30. Amended by P.L.198-2001, SEC.85.

IC 6-1.1-35.2-5

County payments for attendance

Sec. 5. A county that is required to make a payment to an assessing official or a hearing officer for the county property tax assessment board of appeals under this chapter must make the payment regardless of an appropriation. The payment may be made from the county's reassessment fund.

As added by P.L.24-1986, SEC.30. Amended by P.L.41-1993, SEC.27; P.L.6-1997, SEC.118; P.L.146-2008, SEC.283.

IC 6-1.1-35.5

Chapter 35.5. Assessor-Appraiser Examination and Certification

IC 6-1.1-35.5-1

Conduct and administration of programs

Sec. 1. The department of local government finance shall:

(1) conduct an assessor-appraiser examination and certification program for level one and level two certifications; and

(2) administer a level three assessor-appraiser certification program.

The department shall design and implement the programs in a manner that maximizes the number of certified assessor-appraisers involved in the assessment process.

As added by Acts 1980, P.L.8, SEC.56. Amended by P.L.90-2002, SEC.253; P.L.1-2004, SEC.43 and P.L.23-2004, SEC.46; P.L.219-2007, SEC.75.

IC 6-1.1-35.5-2

Repealed

(Repealed by P.L.6-1997, SEC.239.)

IC 6-1.1-35.5-3

Design of level one and level two examinations; eligibility to take examination; subject matter of examination

Sec. 3. The department of local government finance shall design two (2) assessor-appraiser examinations, to be called "level one" and "level two". All citizens of Indiana are eligible to apply for and to be examined under "level one" and "level two" examinations, subject only to the resources and limitations of the department of local government finance in conducting the examinations. Both examinations should cover the subjects of real estate appraising, accounting, and property tax law. Successful performance on the level one examination requires the minimum knowledge needed for effective performance as a county or township assessor under this article. Success on the level two examination requires substantial knowledge of the subjects covered in the examination.

As added by Acts 1980, P.L.8, SEC.56. Amended by P.L.6-1997, SEC.119; P.L.90-2002, SEC.254.

IC 6-1.1-35.5-4

Time and location of examinations; open book format

Sec. 4. (a) The level one examination shall be given in July, and the level two examination shall be given in August. Both level examinations also shall be offered annually immediately following the conference of the department of local government finance and at any other times that coordinate with training sessions conducted under IC 6-1.1-35.2-2. The department of local government finance may also give either or both examinations at other times throughout the year.

(b) Examinations shall be held each year, at the times prescribed in subsection (a), in Indianapolis and at not less than four (4) other convenient locations chosen by the department of local government finance.

(c) The department of local government finance may not limit the number of individuals who take the examination and shall provide an opportunity for all enrollees at each session to take the examination at that session.

(d) The department of local government finance shall:

(1) give both the level one examination and the level two examination in an open book format; and

(2) design both examinations to approximate the work an assessing official is required to perform, including the use of appropriate computer applications.

As added by Acts 1980, P.L.8, SEC.56. Amended by P.L.198-2001, SEC.86; P.L.1-2002, SEC.29 and P.L.90-2002, SEC.255; P.L.1-2004, SEC.44 and P.L.23-2004, SEC.47.

IC 6-1.1-35.5-4.5

Level three program; rules; course sponsor regulation

Sec. 4.5. (a) The department shall:

(1) administer a program for level three assessor-appraiser certifications;

(2) design a curriculum for level three assessor-appraiser certification candidates that:

(A) specifies educational criteria for acceptable tested courses offered by:

(i) nationally recognized assessing organizations;

(ii) postsecondary educational institutions; or

(iii) other education delivery organizations;

in each subject matter area of the curriculum; and

(B) requires superior knowledge of assessment administration and property valuation concepts; and

(3) carry out a program to approve courses that meet the requirements of the curriculum described in subdivision (2) and approve course sponsors that provide these courses.

Only an approved sponsor may offer a course that meets the curriculum requirements for level three assessor-appraiser certification candidates. The department shall establish procedures and requirements for courses and course sponsors that permit the department to verify that sponsors and courses meet the standards established by the department and that candidates comply with these standards. The department shall maintain a list of approved sponsors and approved courses that meet the criteria for the level three assessor-appraiser certification curriculum designed under subsection (a)(2).

(b) The department may adopt rules under IC 4-22-2 to implement this section. The department may adopt temporary rules in the manner provided for the adoption of emergency rules in IC 4-22-2-37.1 to carry out a program to approve courses that meet

the requirements of the curriculum described in subdivision (2) and approve course sponsors that provide these courses. A temporary rule adopted under this subsection expires on the earliest of the following:

(1) The date specified in the temporary rule.

(2) The date that another temporary rule or rule adopted under IC 4-22-2 supersedes or repeals the temporary rule.

(3) January 1, 2014.

As added by P.L.219-2007, SEC.76. Amended by P.L.146-2012, SEC.6; P.L.13-2013, SEC.17.

IC 6-1.1-35.5-5

Eligibility for programs

Sec. 5. A county or township assessor, a member or hearing officer of the county property tax assessment board of appeals, or a member of the public may apply for and take the level one examination. A person who is successful on the level one examination may apply for and take the level two examination. A person who is successful on the level two examination may apply for level three certification.

As added by Acts 1980, P.L.8, SEC.56. Amended by P.L.6-1997, SEC.120; P.L.219-2007, SEC.77.

IC 6-1.1-35.5-6

Certification of successful examinees; revocation

Sec. 6. (a) The department of local government finance shall certify all persons who successfully complete a certification under this chapter and shall furnish each successful certification applicant with a certificate that prominently displays the person's name and the fact that the person is a level one, level two, or level three certified Indiana assessor-appraiser.

(b) The department of local government finance shall revoke the certification of an individual if the department reasonably determines that the individual committed fraud or misrepresentation with respect to:

(1) the preparation, administration, or taking of the examination for level one or level two certification; or

(2) completion of the curriculum for level three certification.

The department of local government finance shall give notice and hold a hearing to consider all of the evidence about the fraud or misrepresentation before deciding whether to revoke the individual's certification.

As added by Acts 1980, P.L.8, SEC.56. Amended by P.L.198-2001, SEC.87; P.L.219-2007, SEC.78.

IC 6-1.1-35.5-7

Fees for level one and level two certifications; assessing official training account

Sec. 7. (a) With respect to level one and level two certifications, the department of local government finance shall establish a fair and reasonable fee for examination and certification under this chapter.

However, the fee does not apply to an assessing official, a hearing officer for a county property tax assessment board of appeals, or an employee of an assessing official or county property tax assessment board of appeals who is taking the level one examination or the level two examination for the first time.

(b) The assessing official training account is established as an account within the state general fund. All fees collected by the department of local government finance shall be deposited in the account. The account shall be administered by the department of local government finance and does not revert to the state general fund at the end of a fiscal year. The department of local government finance may use money in the account for:

(1) testing and training of assessing officials, county assessors, members of a county property tax assessment board of appeals, and employees of assessing officials, county assessors, or the county property tax assessment board of appeals; and

(2) administration of the level three certification program under section 4.5 of this chapter.

As added by Acts 1980, P.L.8, SEC.56. Amended by P.L.41-1993, SEC.28; P.L.6-1997, SEC.121; P.L.90-2002, SEC.256; P.L.219-2007, SEC.79; P.L.146-2008, SEC.284.

IC 6-1.1-35.5-8
Repealed

(Repealed by P.L.219-2007, SEC.149.)

IC 6-1.1-35.5-8.5
Rules for level one and level two programs

Sec. 8.5. (a) This section applies only to level one and level two assessor-appraiser certifications.

(b) The department of local government finance may adopt rules under IC 4-22-2 to implement this chapter. The department of local government finance shall adopt rules to set:

(1) minimum requirements for initial certification after December 31, 2001, under this chapter;

(2) continuing education requirements for the renewal of a certification after December 31, 2001, under this chapter; and

(3) procedures for renewing a certification issued under this chapter, including a certification issued before January 1, 1999, for a person who meets the certification requirements set under subdivision (2).

The rules must also establish procedures for disciplinary action against a certificate holder that fails to comply with the statutes or rules applicable to the certificate holder. The rules adopted under subdivisions (2) and (3) may not require testing to renew or maintain a certification under this chapter.

As added by P.L.198-2001, SEC.89. Amended by P.L.219-2007, SEC.80.

IC 6-1.1-35.5-9

Repealed

(Repealed by P.L.146-2008, SEC.802.)

IC 6-1.1-35.7

Chapter 35.7. Assessor, Appraiser, and Tax Representative Standards of Conduct

IC 6-1.1-35.7-1

"Appraiser"

Sec. 1. As used in this chapter, "appraiser" has the meaning set forth in IC 6-1.1-31.7-1.

As added by P.L.112-2014, SEC.2; P.L.134-2014, SEC.4.

IC 6-1.1-35.7-2

"Tax representative"

Sec. 2. As used in this chapter, "tax representative" means a person who represents another person at a proceeding before the property tax assessment board of appeals or the department. The term does not include:

(1) the owner of the property (or person liable for the taxes under IC 6-1.1-2-4) that is the subject of the appeal;

(2) a permanent full-time employee of the owner of the property (or person liable for the taxes under IC 6-1.1-2-4) who is the subject of the appeal;

(3) a representative of a local unit of government appearing on behalf of the unit;

(4) a certified public accountant, when the certified public accountant is representing a client in a matter that relates only to personal property taxation; or

(5) an attorney who is a member in good standing of the Indiana bar or any person who is a member in good standing of any other state bar and who has been granted leave by the department to appear pro hac vice.

As added by P.L.112-2014, SEC.2; P.L.134-2014, SEC.4.

IC 6-1.1-35.7-3

Adherence to Uniform Standards of Professional Appaiser Practice; prohibited actions

Sec. 3. (a) An individual who is a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser shall adhere to the Uniform Standards of Professional Appraisal Practice in the performance of the individual's duties.

(b) An individual who is a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser shall not do any of the following:

(1) Conduct an assessment that includes the reporting of a predetermined opinion or conclusion.

(2) Misrepresent the individual's role when providing valuation services that are outside the practice of property assessment.

(3) Communicate assessment results with the intent to mislead or defraud.

(4) Communicate a report that the individual knows is misleading or fraudulent.

(5) Knowingly permit an employee or other person to communicate a misleading or fraudulent report.
(6) Engage in criminal conduct.
(7) Willfully or knowingly violate the requirements of IC 6-1.1-35-9.
(8) Perform an assessment in a grossly negligent manner.
(9) Perform an assessment with bias.
(10) Advocate for an assessment. However, this subdivision does not prevent a township assessor, a county assessor, an employee of the county assessor or township assessor, or an appraiser from defending or explaining the accuracy of an assessment and any corresponding methodology used in the assessment at a preliminary informal hearing, during settlement discussions, at a public hearing, or at the appellate level.

As added by P.L.112-2014, SEC.2; P.L.134-2014, SEC.4.

IC 6-1.1-35.7-4
Conduct of township assessor, county assessor; or employee of the township assessor or county assessor; revocation of certification; certification appeal board

Sec. 4. (a) A township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser:
(1) must be competent to perform a particular assessment;
(2) must acquire the necessary competency to perform the assessment; or
(3) shall contract with an appraiser who demonstrates competency to do the assessment.

(b) The department may revoke the certification of a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser under 50 IAC 15 for gross incompetence in the performance of an assessment.

(c) An individual whose certification is revoked by the department under subsection (b) may appeal the department's decision to the certification appeal board established under subsection (d). A decision of the certification appeal board may be appealed to the tax court in the same manner that a final determination of the department may be appealed under IC 33-26.

(d) The certification appeal board is established for the sole purpose of conducting appeals under this section. The board consists of the following seven (7) members:
(1) Two (2) representatives of the department appointed by the commissioner of the department.
(2) Two (2) individuals appointed by the governor. The individuals must be township or county assessors.
(3) Two (2) individuals appointed by the governor. The individuals must be licensed appraisers.
(4) One (1) individual appointed by the governor. The individual must be a resident of Indiana.

The commissioner of the department shall designate a member appointed under subdivision (1) as the chairperson of the board. Not

more than four (4) members of the board may be members of the same political party. Each member of the board serves at the pleasure of the appointing authority.

(e) The certification appeal board shall meet as often as is necessary to properly perform its duties. Each member of the board is entitled to the following:

(1) The salary per diem provided under IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

As added by P.L.112-2014, SEC.2; P.L.134-2014, SEC.4.

IC 6-1.1-35.7-5

Period of certification revocation; effect of revocation on contracts

Sec. 5. (a) The department may revoke a certification issued under 50 IAC 15 for not more than three (3) years if the department determines by a preponderance of the evidence that the township assessor, county assessor, employee of the township assessor or county assessor, or appraiser violated any provision of this chapter.

(b) If an appraiser's certification is revoked:

(1) any contract for appraisal of property in Indiana that the appraiser has entered into is void; and

(2) the appraiser may not receive any additional payments under the contract.

(c) A contract entered into by an appraiser for appraisal of property in Indiana must contain a provision specifying that the contract is void if the appraiser's certification is revoked under this chapter.

As added by P.L.112-2014, SEC.2; P.L.134-2014, SEC.4.

IC 6-1.1-35.7-6

Prohibited actions of a tax representative

Sec. 6. A tax representative may not do any of the following:

(1) Use or participate in the use of any false, fraudulent, unduly influencing, coercive, unfair, misleading, or deceptive statement or claims with respect to any matter relating to the practice before the property tax assessment board of appeals or the department.

(2) Knowingly misrepresent any information or act in a fraudulent manner.

(3) Prepare documents or provide evidence in a property assessment appeal unless the representative is authorized by the property owner (or person liable for the taxes under IC 6-1.1-2-4) to do so and any required authorization form has been filed.

(4) Knowingly submit false or erroneous information in a property assessment appeal.

(5) Knowingly fail to use the appraisal standards and methods required by rules adopted by the department, Indiana board, or property tax assessment board of appeals when the representative submits appraisal information in a property assessment appeal.

(6) Knowingly fail to notify the property owner (or person liable for the taxes under IC 6-1.1-2-4) of all matters relating to the review of the assessment of taxpayers' property before the property tax assessment board of appeals or the department, including, but not limited to, the following:

(A) The tax representative's filing of all necessary documents, correspondence, and communications with the property tax assessment board of appeals or department.

(B) The dates and substance of all hearings, onsite inspections, and meetings.

As added by P.L.112-2014, SEC.2; P.L.134-2014, SEC.4.

IC 6-1.1-35.7-7

Grounds for revoking the certification of a tax representative

Sec. 7. The department may revoke the certification of a tax representative for the following:

(1) Violation of any rule applicable to certification or practice before the department, the Indiana board, or the property tax assessment board of appeals.

(2) Gross incompetence in the performance of practicing before the property tax assessment board of appeals, the department, or the Indiana board.

(3) Dishonesty, fraud, or material deception committed while practicing before the property tax assessment board of appeals, the department, or the Indiana board.

(4) Dishonesty, fraud, material deception, or breach of fiduciary duty committed against the tax representative's employer or business associates.

(5) Violation of the standards of ethics or rules of solicitation adopted by the department.

As added by P.L.112-2014, SEC.2; P.L.134-2014, SEC.4.

IC 6-1.1-36

Chapter 36. Miscellaneous Assessment and Collection Provisions

IC 6-1.1-36-1

Notice by mail

Sec. 1. If a notice is required to be given by mail under the general assessment provisions of this article, the day on which the notice is deposited in the United States mail is the day notice is given. The notice shall be given by first class mail.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.84-1989, SEC.1.

IC 6-1.1-36-1.5

When documents other than payments are considered filed

Sec. 1.5. (a) Subject to subsections (b) and (c), and except as provided in subsection (d), a document, including a form, a return, or a writing of any type, which must be filed by a due date under this article or IC 6-1.5, is considered to be filed by the due date if the document is:

(1) received on or before the due date by the appropriate recipient;

(2) deposited in United States first class mail:

(A) properly addressed to the appropriate recipient;

(B) with sufficient postage; and

(C) postmarked by the United States Postal Service as mailed on or before the due date;

(3) deposited with a nationally recognized express parcel carrier and is:

(A) properly addressed to the appropriate recipient; and

(B) verified by the express parcel carrier as:

(i) paid in full for final delivery; and

(ii) received by the express parcel carrier on or before the due date; or

(4) deposited to be mailed through United States registered mail, United States certified mail, or United States certificate of mailing:

(A) properly addressed to the appropriate recipient;

(B) with sufficient postage; and

(C) with a date of registration, certification, or certificate, as evidenced by any record authenticated by the United States Postal Service, on or before the due date.

For purposes of this subsection, "postmarked" does not mean the date printed by a postage meter that affixes postage to the envelope or package containing a payment.

(b) If a document is mailed through the United States mail and is physically received after the due date without a legible correct postmark, the person who mailed the document is considered to have filed the document on or before the due date if the person can show by reasonable evidence that the document was deposited in the

United States mail on or before the due date.

(c) If a document is sent via the United States mail or a nationally recognized express parcel carrier but is not received by the designated recipient, the person who sent the document is considered to have filed the document on or before the due date if the person:

(1) can show by reasonable evidence that the document was deposited in the United States mail, or with the express parcel carrier, on or before the due date; and

(2) files a duplicate document within thirty (30) days after the date the person is notified that the document was not received.

(d) This section does not apply to a payment addressed in IC 6-1.1-37-10(f).

As added by P.L.154-2006, SEC.53.

IC 6-1.1-36-2

Legal services for township assessor

Sec. 2. If a township assessor needs legal services, he may use the attorney appointed by the trustee of the township, or the legal services may be provided by the county.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-36-3

Certain irregularities not to affect validity of assessment

Sec. 3. (a) A township assessor's assessment or a county assessor's assessment of property is valid even if:

(1) the assessor does not complete, or notify the county auditor of, the assessment by the time prescribed under IC 6-1.1-3 or IC 6-1.1-4;

(2) there is an irregularity or informality in the manner in which the assessor makes the assessment; or

(3) there is an irregularity or informality in the tax list.

An irregularity or informality in the assessment or the tax list may be corrected at any time.

(b) This section does not release a township assessor or county assessor from any duty to give notice or from any penalty imposed on the assessor by law for the assessor's failure to make the assessor's return within the time prescribed in IC 6-1.1-3 or IC 6-1.1-4.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.29; P.L.6-1997, SEC.124; P.L.146-2008, SEC.285.

IC 6-1.1-36-4

Affidavits to compel production of books or records

Sec. 4. (a) An assessing official or a representative of the department of local government finance may file an affidavit with a circuit court of this state if:

(1) the official or representative has requested that a person give information or produce books or records; and

(2) the person has not complied with the request.

The affidavit must state that the person has not complied with the request.

(b) When an affidavit is filed under subsection (a), the circuit court shall issue a writ which directs the person to appear at the office of the official or representative and to give the requested information or produce the requested books or records. The appropriate county sheriff shall serve the writ. A person who disobeys the writ is guilty of contempt of court.

(c) If a writ is issued under this section, the cost incurred in filing the affidavit, in the issuance of the writ, and in the service of the writ shall be charged to the person against whom the writ is issued. If a writ is not issued, all costs shall be charged to the county in which the circuit court proceedings are held, and the board of commissioners of that county shall allow a claim for the costs.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.41-1993, SEC.29; P.L.6-1997, SEC.125; P.L.90-2002, SEC.259; P.L.146-2008, SEC.286.

IC 6-1.1-36-5

Officials authorized to administer oath

Sec. 5. In order to discharge their official duties, the following officials may administer oaths and affirmations:

(1) County assessors.

(2) Township assessors.

(3) County auditors.

(4) Members of a county property tax assessment board of appeals.

(5) Members of the Indiana board.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.6-1997, SEC.126; P.L.198-2001, SEC.90; P.L.146-2008, SEC.287.

IC 6-1.1-36-6

Fiduciaries; filing personal property tax return

Sec. 6. If, subsequent to the assessment date in any year, a person receives possession or control of personal property in a fiduciary capacity, he shall ascertain whether a personal property return for that year has been filed. If a return is required but has not been filed, the fiduciary shall file the required return within sixty (60) days after the date on which he receives possession or control of the property.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-36-7

Real property taxes assessed against political subdivisions, state, or certain bodies corporate and politic; cancellation; compromise; distribution of receipts

Sec. 7. (a) The department of local government finance may cancel any property taxes assessed against real property owned by a county, a township, a city, a town, or a body corporate and politic established under IC 8-10-5-2(a) if a petition requesting that the department cancel the taxes is submitted by the auditor, assessor, and treasurer of the county in which the real property is located.

(b) The department of local government finance may cancel any

property taxes assessed against real property owned by this state if a petition requesting that the department cancel the taxes is submitted by:

(1) the governor; or

(2) the chief administrative officer of the state agency which supervises the real property.

However, if the petition is submitted by the chief administrative officer of a state agency, the governor must approve the petition.

(c) The department of local government finance may compromise the amount of property taxes, together with any interest or penalties on those taxes, assessed against the fixed or distributable property owned by a bankrupt railroad, which is under the jurisdiction of:

(1) a federal court under 11 U.S.C. 1163;

(2) Chapter X of the Acts of Congress Relating to Bankruptcy (11 U.S.C. 701-799); or

(3) a comparable bankruptcy law.

(d) After making a compromise under subsection (c) and after receiving payment of the compromised amount, the department of local government finance shall distribute to each county treasurer an amount equal to the product of:

(1) the compromised amount; multiplied by

(2) a fraction, the numerator of which is the total of the particular county's property tax levies against the railroad for the compromised years, and the denominator of which is the total of all property tax levies against the railroad for the compromised years.

(e) After making the distribution under subsection (d), the department of local government finance shall direct the auditors of each county to remove from the tax rolls the amount of all property taxes assessed against the bankrupt railroad for the compromised years.

(f) The county auditor of each county receiving money under subsection (d) shall allocate that money among the county's taxing districts. The auditor shall allocate to each taxing district an amount equal to the product of:

(1) the amount of money received by the county under subsection (d); multiplied by

(2) a fraction, the numerator of which is the total of the taxing district's property tax levies against the railroad for the compromised years, and the denominator of which is the total of all property tax levies against the railroad in that county for the compromised years.

(g) The money allocated to each taxing district shall be apportioned and distributed among the taxing units of that taxing district in the same manner and at the same time that property taxes are apportioned and distributed.

(h) The department of local government finance may, with the approval of the attorney general, compromise the amount of property taxes, together with any interest or penalties on those taxes, assessed against property owned by a person that has a case pending under

state or federal bankruptcy law. Property taxes that are compromised under this section shall be distributed and allocated at the same time and in the same manner as regularly collected property taxes. The department of local government finance may compromise property taxes under this subsection only if:

(1) a petition is filed with the department of local government finance that requests the compromise and is signed and approved by the assessor, auditor, and treasurer of each county and the assessor of each township (if any) that is entitled to receive any part of the compromised taxes;

(2) the compromise significantly advances the time of payment of the taxes; and

(3) the compromise is in the best interest of the state and the taxing units that are entitled to receive any part of the compromised taxes.

(i) A taxing unit that receives funds under this section is not required to include the funds in its budget estimate for any budget year which begins after the budget year in which it receives the funds.

(j) A county treasurer, with the consent of the county auditor and the county assessor, may compromise the amount of property taxes, interest, or penalties owed in a county by an entity that has a case pending under Title 11 of the United States Code (Bankruptcy Code) by accepting a single payment that must be at least seventy-five percent (75%) of the total amount owed in the county.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.75, SEC.1; P.L.69-1983, SEC.9; P.L.5-1988, SEC.45; P.L.30-1994, SEC.6; P.L.90-2002, SEC.260; P.L.146-2008, SEC.288; P.L.172-2011, SEC.48.

IC 6-1.1-36-8

Free official service

Sec. 8. When an officer is required to perform a service under chapter 22, 23, 24, 25, 26, or 27 of this article and a fee is not provided for that service, the officer shall perform the service without charge.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-36-9

Failure to make official certificate or perform clerical duty within time required; effect

Sec. 9. An officer's failure to make an official certificate or to perform a clerical duty within the time required under chapter 22, 23, 24, 25, 26, or 27 of this article does not, except where otherwise expressly provided by law, affect the validity of an assessment, tax levy, or tax collection.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-36-10

Taxes uncollectible because of erroneous proceeding

Sec. 10. If the taxes for a year on any property which is subject to taxation under this article cannot be collected because of an erroneous proceeding, the amount of the taxes, together with any penalties, interest, or costs carried forward on account of those taxes, shall be added to the amount to be collected the following year.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.33, SEC.5.

IC 6-1.1-36-11
Quitclaim deed from state

Sec. 11. The governor shall, in the name of this state and as governor, execute and deliver a quitclaim deed to the record owner of real property if:

(1) the record owner requests the deed;

(2) the auditor and the recorder of the county in which the real property is located each file with the governor a verified statement which contains:

(A) a complete legal description of the real property; and

(B) a declaration that the records in the auditor's and recorder's office indicate that the state does not claim an interest in the real property;

(3) the land office division of the department of administration files with the governor a verified statement which contains a declaration that the records in the office do not indicate that the state claims an interest in the real property; and

(4) the record owner pays:

(A) the department of administration consideration for the deed in the amount of one dollar ($1); and

(B) the necessary expenses incurred in preparing and executing the deed.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.3-1989, SEC.38.

IC 6-1.1-36-12
Contracts for discovery of omitted property; fund for additional receipts; use of fund

Sec. 12. (a) A board of county commissioners, a county assessor, or a township assessor (if any) may enter into a contract for the discovery of property that has been undervalued or omitted from assessment. The contract must prohibit payment to the contractor for discovery of undervaluation or omission with respect to a parcel or personal property return before all appeals of the assessment of the parcel or the assessment under the return have been finalized. The contract may require the contractor to:

(1) examine and verify the accuracy of personal property returns filed by taxpayers with the county assessor or a township assessor of a township in the county; and

(2) compare a return with the books of the taxpayer and with personal property owned, held, possessed, controlled, or occupied by the taxpayer.

(b) This subsection applies if funds are not appropriated for payment of services performed under a contract described in subsection (a). The county auditor may create a special nonreverting fund in which the county treasurer shall deposit the amount of taxes, including penalties and interest, that result from additional assessments on undervalued or omitted property collected from all taxing jurisdictions in the county after deducting the amount of any property tax credits that reduce the owner's property tax liability for the undervalued or omitted property. The fund remains in existence during the term of the contract. Distributions shall be made from the fund without appropriation only for the following purposes:

(1) All contract fees and other costs related to the contract.

(2) After the payments required by subdivision (1) have been made and the contract has expired, the county auditor shall distribute all money remaining in the fund to the appropriate taxing units in the county using the property tax rates of each taxing unit in effect at the time of the distribution.

(c) A board of county commissioners, a county assessor, or a township assessor may not contract for services under subsection (a) on a percentage basis.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.178-2002, SEC.39; P.L.154-2006, SEC.54; P.L.146-2008, SEC.289.

IC 6-1.1-36-13

List of lands and lots within limits of newly formed political subdivision

Sec. 13. When a political subdivision is formed, the auditor of the county in which the political subdivision is situated shall, at the written request of the legislative body of the political subdivision, prepare a list of all the lands and lots within the limits of the political subdivision, and the county auditor shall deliver the list to the appropriate township assessor, or the county assessor if there is no township assessor for the township, on or before the assessment date which immediately follows the date of incorporation. The county auditor shall use the records in the auditor's office in order to compile the list.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.8-1989, SEC.26; P.L.25-1995, SEC.54; P.L.146-2008, SEC.290.

IC 6-1.1-36-16

Approval upon finding all property taxes paid; certificate of clearance; other evidence of payment

Sec. 16. (a) A court may allow or approve a final report or account of:

(1) a receiver;

(2) a trustee in dissolution;

(3) a trustee in bankruptcy;

(4) a commissioner appointed for the sale of real estate; or

(5) any other officer acting under the authority and supervision of a court;

only if the account or final report shows and the court finds that all property taxes on real property have been paid or otherwise satisfied.

(b) A fiduciary described in subsection (a) shall provide proof to a court that all property taxes on real property for which the due date has passed as of the date that the account or report is approved have been paid or satisfied. The fiduciary shall request the county treasurer of the county where real property is located to issue a certificate of clearance certifying that all property taxes that are due and payable have been paid or satisfied. The certificate shall be issued by the county treasurer within three (3) business days after request on a form provided by the state board of accounts. When issued, the certificate is conclusive proof that property taxes are not due.

(c) If the county treasurer of the county where real property is located fails to issue a certificate of clearance under subsection (b) within thirty (30) days after request, a fiduciary may provide evidence to a court that demonstrates that property taxes on real property are not due. Upon approval by the court, the evidence is conclusive proof of payment or satisfaction of the tax imposed by this article.

(d) The state board of accounts shall provide forms to county treasurers, as needed, to carry out subsection (b).

As added by P.L.56-1996, SEC.9.

IC 6-1.1-36-17

Notice of ineligibility for standard deduction; collection of adjustments in tax due; nonreverting fund

Sec. 17. (a) As used in this section, "nonreverting fund" refers to a nonreverting fund established under subsection (c).

(b) Each county auditor that makes a determination that property was not eligible for a standard deduction under IC 6-1.1-12-37 in a particular year shall:

(1) notify the county treasurer of the determination; and

(2) do one (1) or more of the following:

(A) Make a notation on the tax duplicate that the property is ineligible for the standard deduction and indicate the date the notation is made.

(B) Record a notice of an ineligible homestead lien under subsection (d)(2).

The county auditor shall issue a notice of taxes, interest, and penalties due to the owner that improperly received the standard deduction and include a statement that the payment is to be made payable to the county auditor. The notice must require full payment of the amount owed within thirty (30) days. The additional taxes and civil penalties that result from the removal of the deduction, if any, are imposed for property taxes first due and payable for an assessment date occurring before the earlier of the date of the notation made under subdivision (2)(A) or the date a notice of an ineligible homestead lien is recorded under subsection (d)(2) in the office of the county recorder. With respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge

of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.

(c) Each county auditor shall establish a nonreverting fund. Upon collection of the adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b), the county treasurer shall deposit that amount:

(1) in the nonreverting fund, if the county contains a consolidated city; or

(2) if the county does not contain a consolidated city:

(A) in the nonreverting fund, to the extent that the amount collected, after deducting the direct cost of any contract, including contract related expenses, under which the contractor is required to identify homestead deduction eligibility, does not cause the total amount deposited in the nonreverting fund under this subsection for the year during which the amount is collected to exceed one hundred thousand dollars ($100,000); or

(B) in the county general fund, to the extent that the amount collected exceeds the amount that may be deposited in the nonreverting fund under clause (A).

(d) Any part of the amount due under subsection (b) that is not collected by the due date is subject to collection under one (1) or more of the following:

(1) After being placed on the tax duplicate for the affected property and collected in the same manner as other property taxes.

(2) Through a notice of an ineligible homestead lien recorded in the county recorder's office without charge.

The adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b) shall be deposited as specified in subsection (c) only in the first year in which that amount is collected. Upon the collection of the amount due under subsection (b) or the release of a lien recorded under subdivision (2), the county auditor shall submit the appropriate documentation to the county recorder, who shall amend the information recorded under subdivision (2) without charge to indicate that the lien has been released or the amount has been paid in full.

(e) The amount to be deposited in the nonreverting fund or the county general fund under subsection (c) includes adjustments in the tax due as a result of the termination of deductions or credits available only for property that satisfies the eligibility for a standard deduction under IC 6-1.1-12-37, including the following:

(1) Supplemental deductions under IC 6-1.1-12-37.5.

(2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26, IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26, or any other law.

(3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or IC 6-1.1-20.6-8.5.

Any amount paid that exceeds the amount required to be deposited under subsection (c)(1) or (c)(2) shall be distributed as property taxes.

(f) Money deposited under subsection (c)(1) or (c)(2) shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

(1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under IC 6-1.1-12-37.

(2) Other expenses of the office of the county auditor.

(3) The cost of preparing, sending, and processing notices described in IC 6-1.1-22-8.1(b)(9).

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor or in setting property tax levies that will be used in any part to fund the office of the county auditor.

As added by P.L.87-2009, SEC.14. Amended by P.L.13-2013, SEC.18; P.L.257-2013, SEC.31; P.L.94-2014, SEC.3.

IC 6-1.1-37

Chapter 37. Miscellaneous Penalty and Interest Provisions

IC 6-1.1-37-1

State or local government officers; failure to perform

Sec. 1. An officer of state or local government who recklessly violates or fails to perform a duty imposed on him under:

(1) IC 6-1.1-10-1(b);
(2) IC 6-1.1-12-6;
(3) IC 6-1.1-12-7;
(4) IC 6-1.1-17-1;
(5) IC 6-1.1-17-3(a);
(6) IC 6-1.1-17-5(d)(1);
(7) IC 6-1.1-18-1;
(8) IC 6-1.1-18-5;
(9) IC 6-1.1-18-6;
(10) IC 6-1.1-20-5;
(11) IC 6-1.1-20-6;
(12) IC 6-1.1-20-7;
(13) IC 6-1.1-30-14; or
(14) IC 6-1.1-36-13;

commits a Class A misdemeanor. In addition, the officer is liable for the damages sustained by a person as a result of the officer's violation of the provision or the officer's failure to perform the duty.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.605; P.L.49-1996, SEC.8; P.L.198-2001, SEC.91; P.L.1-2010, SEC.32.

IC 6-1.1-37-2

Assessment violations by public officials or employees

Sec. 2. An assessing official or a representative of the department of local government finance who:

(1) knowingly assesses any property at more or less than what the official or representative believes is the proper assessed value of the property;
(2) knowingly fails to perform any of the duties imposed on the official or representative under the general assessment provisions of this article; or
(3) recklessly violates any of the other general assessment provisions of this article;

commits a Class A misdemeanor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.606; P.L.17-1984, SEC.3; P.L.146-2008, SEC.291.

IC 6-1.1-37-3

False information in return or document; offense

Sec. 3. A person commits a Level 6 felony if:

(1) the person makes and subscribes a property tax return, statement, or document (except a statement described in section 4 or 5 of this chapter) that the person does not believe is correct

in every material respect; and

(2) the return, statement, or document is certified to as to the truth of the information appearing in it.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.607; P.L.158-2013, SEC.81.

IC 6-1.1-37-4

False claim for veteran's property tax deduction

Sec. 4. A person who makes a false statement, with intent to obtain the property tax deduction provided in either IC 6-1.1-12-13 or IC 6-1.1-12-14, when he is not entitled to the deduction, commits a Class B misdemeanor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.608.

IC 6-1.1-37-5

False statement concerning assessment of forest land

Sec. 5. A person who recklessly makes a false statement on a report or application described in IC 6-1.1-6 commits a Class B misdemeanor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.609.

IC 6-1.1-37-6

Class A misdemeanors related to property tax matters

Sec. 6. A person who recklessly, knowingly, or intentionally:

(1) disobeys a subpoena, or a subpoena duces tecum, issued under the general assessment provisions of this article;

(2) refuses to give evidence when directed to do so by an individual or board authorized under the general assessment provisions of this article to require the evidence;

(3) fails to file a personal property return required under IC 6-1.1-3;

(4) fails to subscribe to an oath or certificate required under the general assessment provisions of this article;

(5) temporarily converts property which is taxable under this article into property not taxable to evade the payment of taxes on the converted property; or

(6) fails to file an information return required by the department of local government finance under IC 6-1.1-4-42;

commits a Class A misdemeanor.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.2, SEC.610; P.L.182-2009(ss), SEC.173.

IC 6-1.1-37-7

Personal property return; various violations and penalties

Sec. 7. (a) If a person fails to file a required personal property return on or before the due date, the county auditor shall add a penalty of twenty-five dollars ($25) to the person's next property tax installment. The county auditor shall also add an additional penalty

to the taxes payable by the person if the person fails to file the personal property return within thirty (30) days after the due date. The amount of the additional penalty is twenty percent (20%) of the taxes finally determined to be due with respect to the personal property which should have been reported on the return.

(b) For purposes of this section, a personal property return is not due until the expiration of any extension period granted by the township or county assessor under IC 6-1.1-3-7(b).

(c) The penalties prescribed under this section do not apply to an individual or the individual's dependents if the individual:

(1) is in the military or naval forces of the United States on the assessment date; and

(2) is covered by the federal Soldiers' and Sailors' Civil Relief Act.

(d) If a person subject to IC 6-1.1-3-7(d) fails to include on a personal property return the information, if any, that the department of local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13, the county auditor shall add a penalty to the property tax installment next due for the return. The amount of the penalty is twenty-five dollars ($25).

(e) If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation for purposes of this subsection.

(f) If a person required by IC 6-1.1-3-7.2(k) to file an annual certification with the county assessor fails to timely file the annual certification, the county auditor shall impose a penalty of twenty-five dollars ($25) that must be paid by the person with the next property tax installment that is collected.

(g) A penalty is due with an installment under subsection (a), (d), (e), or (f) whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.69-1983, SEC.10; P.L.71-1985, SEC.1; P.L.2-1998, SEC.22; P.L.90-2002, SEC.261; P.L.146-2008, SEC.292; P.L.80-2014, SEC.7.

IC 6-1.1-37-7.5

Failure to file personal property return

Sec. 7.5. A person who fails to provide, within forty-five (45) days after the filing deadline, evidence of the filing of a personal property

return to the township assessor or the county assessor, as required under IC 6-1.1-3-1(d), shall pay to the county a penalty equal to ten percent (10%) of the tax liability.
As added by Acts 1979, P.L.48, SEC.9. Amended by Acts 1980, P.L.35, SEC.2; P.L.146-2008, SEC.293.

IC 6-1.1-37-8
Vending machines without identification device

Sec. 8. A township assessor, or the county assessor if there is no township assessor for the township, shall inform the county auditor of any vending machine which does not, as required under IC 6-1.1-3-8, have an identification device on its face. The county auditor shall then add a one dollar ($1) penalty to the next property tax installment of the person on whose premises the machine is located.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.146-2008, SEC.294.

IC 6-1.1-37-9
Property taxes; deadlines; interest rate; penalties

Sec. 9. (a) This section applies when:

(1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were originally due;

(2) the assessment upon which a taxpayer has been paying taxes under IC 6-1.1-15-10(a)(1) or IC 6-1.1-15-10(a)(2) while a petition for review or a judicial proceeding has been pending is less than the assessment that results from the final determination of the petition for review or judicial proceeding; or

(3) the collection of certain ad valorem property taxes has been enjoined under IC 33-26-6-2, and under the final determination of the petition for judicial review the taxpayer is liable for at least part of those taxes.

(b) Except as provided in subsections (c) and (g), a taxpayer shall pay interest on the taxes the taxpayer is required to pay as a result of an action or a determination described in subsection (a) at the rate established by the commissioner of the department of state revenue under IC 6-8.1-10-1 from the original due date or dates for those taxes to:

(1) the date of payment; or

(2) the date on which penalties for the late payment of a tax installment may be charged under subsection (e) or (f);

whichever occurs first. The interest shall be computed using the rate in effect for each particular year in which the interest accrued.

(c) Except as provided in subsection (g), a taxpayer shall pay interest on the taxes the taxpayer is ultimately required to pay in excess of the amount that the taxpayer is required to pay under IC 6-1.1-15-10(a)(1) while a petition for review or a judicial proceeding has been pending at the overpayment rate established under Section 6621(c)(1) of the Internal Revenue Code in effect on

the original due date or dates for those taxes from the original due date or dates for those taxes to:

(1) the date of payment; or

(2) the date on which penalties for the late payment of a tax installment may be charged under subsection (e) or (f);

whichever occurs first.

(d) With respect to an action or determination described in subsection (a), the taxpayer shall pay the taxes resulting from that action or determination and the interest prescribed under subsection (b) or (c) on or before:

(1) the next May 10; or

(2) the next November 10;

whichever occurs first.

(e) A taxpayer shall, to the extent that the penalty is not waived under section 10.1 or 10.7 of this chapter, begin paying the penalty prescribed in section 10 of this chapter on the day after the date for payment prescribed in subsection (d) if:

(1) the taxpayer has not paid the amount of taxes resulting from the action or determination; and

(2) the taxpayer either:

(A) received notice of the taxes the taxpayer is required to pay as a result of the action or determination at least thirty (30) days before the date for payment; or

(B) voluntarily signed and filed an assessment return for the taxes.

(f) If subsection (e) does not apply, a taxpayer who has not paid the amount of taxes resulting from the action or determination shall, to the extent that the penalty is not waived under section 10.1 or 10.7 of this chapter, begin paying the penalty prescribed in section 10 of this chapter on:

(1) the next May 10 which follows the date for payment prescribed in subsection (d); or

(2) the next November 10 which follows the date for payment prescribed in subsection (d);

whichever occurs first.

(g) A taxpayer is not subject to the payment of interest on real property assessments under subsection (b) or (c) if:

(1) an assessment is made or increased after the date or dates on which the taxes for the year for which the assessment is made were due;

(2) the assessment or the assessment increase is made as the result of error or neglect by the assessor or by any other official involved with the assessment of property or the collection of property taxes; and

(3) the assessment:

(A) would have been made on the normal assessment date if the error or neglect had not occurred; or

(B) increase would have been included in the assessment on the normal annual assessment date if the error or neglect had not occurred.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.76, SEC.1; P.L.63-1986, SEC.2; P.L.90-1987, SEC.1; P.L.198-2001, SEC.92; P.L.1-2004, SEC.45 and P.L.23-2004, SEC.48; P.L.67-2006, SEC.10; P.L.219-2007, SEC.81; P.L.1-2010, SEC.33; P.L.56-2012, SEC.16; P.L.120-2012, SEC.5; P.L.235-2013, SEC.3; P.L.288-2013, SEC.24.

IC 6-1.1-37-10

Delinquent tax penalties; reduced penalty if payment within 30 days; when payments considered to be made

Sec. 10. (a) Except as provided in sections 10.1 and 10.7 of this chapter, if an installment of property taxes is not completely paid on or before the due date, a penalty shall be added to the unpaid portion in the year of the initial delinquency. The penalty is equal to an amount determined as follows:

(1) If:

(A) an installment of real property taxes is completely paid on or before the date thirty (30) days after the due date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous installment for the same parcel;

the amount of the penalty is equal to five percent (5%) of the amount of delinquent taxes.

(2) If:

(A) an installment of personal property taxes is completely paid on or before the date thirty (30) days after the due date; and

(B) the taxpayer is not liable for delinquent property taxes first due and payable in a previous installment for a personal property tax return for property in the same taxing district;

the amount of the penalty is equal to five percent (5%) of the amount of delinquent taxes.

(3) If subdivision (1) or (2) does not apply, the amount of the penalty is equal to ten percent (10%) of the amount of delinquent taxes.

(b) With respect to property taxes due in two (2) equal installments under IC 6-1.1-22-9(a), on the day immediately following the due dates of the first and second installments in each year following the year of the initial delinquency, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be added. With respect to property taxes due in installments under IC 6-1.1-22-9.5, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be added on the day immediately following each date that succeeds the last installment due date by:

(1) six (6) months; or

(2) a multiple of six (6) months.

(c) The penalties under subsection (b) are imposed only on the principal amount of the delinquent taxes.

(d) If the department of local government finance determines that

an emergency has occurred which precludes the mailing of the tax statement in any county at the time set forth in IC 6-1.1-22-8.1, the department shall establish by order a new date on which the installment of taxes in that county is due and no installment is delinquent if paid by the date so established.

(e) If any due date falls on a Saturday, a Sunday, a national legal holiday recognized by the federal government, or a statewide holiday, the act that must be performed by that date is timely if performed by the next succeeding day that is not a Saturday, a Sunday, or one (1) of those holidays.

(f) Subject to subsections (g) and (h), a payment to the county treasurer is considered to have been paid by the due date if the payment is:

(1) received on or before the due date by the county treasurer or a collecting agent appointed by the county treasurer;

(2) deposited in United States first class mail:

(A) properly addressed to the principal office of the county treasurer;

(B) with sufficient postage; and

(C) postmarked by the United States Postal Service as mailed on or before the due date;

(3) deposited with a nationally recognized express parcel carrier and is:

(A) properly addressed to the principal office of the county treasurer; and

(B) verified by the express parcel carrier as:

(i) paid in full for final delivery; and

(ii) received by the express parcel carrier on or before the due date;

(4) deposited to be mailed through United States registered mail, United States certified mail, or United States certificate of mailing:

(A) properly addressed to the principal office of the county treasurer;

(B) with sufficient postage; and

(C) with a date of registration, certification, or certificate, as evidenced by any record authenticated by the United States Postal Service, on or before the due date; or

(5) made by an electronic funds transfer and the taxpayer's bank account is charged on or before the due date.

For purposes of this subsection, "postmarked" does not mean the date printed by a postage meter that affixes postage to the envelope or package containing a payment.

(g) If a payment is mailed through the United States mail and is physically received after the due date without a legible correct postmark, the person who mailed the payment is considered to have made the payment on or before the due date if the person can show by reasonable evidence that the payment was deposited in the United States mail on or before the due date.

(h) If a payment is sent via the United States mail or a nationally

recognized express parcel carrier but is not received by the designated recipient, the person who sent the payment is considered to have made the payment on or before the due date if the person:

(1) can show by reasonable evidence that the payment was deposited in the United States mail, or with the express parcel carrier, on or before the due date; and

(2) makes a duplicate payment within thirty (30) days after the date the person is notified that the payment was not received.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.55, SEC.1.) As amended by Acts 1978, P.L.35, SEC.1; Acts 1981, P.L.71, SEC.4; P.L.23-1984, SEC.9; P.L.88-1995, SEC.9; P.L.154-1999, SEC.1; P.L.90-2002, SEC.262; P.L.1-2004, SEC.46 and P.L.23-2004, SEC.49; P.L.154-2006, SEC.55; P.L.67-2006, SEC.11; P.L.1-2007, SEC.50; P.L.219-2007, SEC.82; P.L.3-2008, SEC.58; P.L.56-2012, SEC.17.

IC 6-1.1-37-10.1

County option to waive interest and penalties

Sec. 10.1. (a) The fiscal body of a county may, before July 1, 2012, adopt an ordinance to have this section apply throughout the county. If the fiscal body of a county adopts an ordinance under this subsection, the ordinance applies after June 30, 2012, and until July 1, 2013, and the fiscal body shall deliver a copy of the ordinance to the county treasurer and the county auditor.

(b) The county treasurer of a county to which this section applies shall waive all interest and penalties added before January 1, 2012, to a delinquent property tax installment or special assessment on a tract or an item of real property if:

(1) all of the delinquent taxes and special assessments on the tract or item of real property were first due and payable before January 1, 2012; and

(2) before July 1, 2013, the taxpayer has paid:

(A) all of the delinquent taxes and special assessments described in subdivision (1); and

(B) all of the taxes and special assessments that are first due and payable on the tract or item of real property after December 31, 2011, and before July 1, 2013 (and any interest and penalties on these taxes and special assessments).

(c) The county treasurer of a county to which this section applies shall waive interest and penalties as provided in subsection (b) if the conditions of subsection (b) are satisfied, notwithstanding any payment arrangement entered into by the county treasurer and the taxpayer under IC 6-1.1-24-1.2 or under any other law.

As added by P.L.56-2012, SEC.18.

IC 6-1.1-37-10.5

Repealed

(Repealed by P.L.1-2010, SEC.156.)

IC 6-1.1-37-10.7
Delinquent tax penalty waiver based on death in family; procedure; appeal

Sec. 10.7. (a) For purposes of this section, "immediate family member of the taxpayer" means an individual who:

(1) is the spouse, child, stepchild, parent, or stepparent of the taxpayer, including adoptive relationships; and

(2) resides in the taxpayer's home.

(b) The county treasurer shall do the following:

(1) Waive the penalty imposed under section 10(a) of this chapter if the taxpayer or the taxpayer's representative:

(A) petitions the county treasurer to waive the penalty not later than thirty (30) days after the due date of the installment subject to the penalty; and

(B) files with the petition written proof that during the seven (7) day period ending on the installment due date the taxpayer or an immediate family member of the taxpayer died.

(2) Give written notice to the taxpayer or the taxpayer's representative by mail of the treasurer's determination on the petition not later than thirty (30) days after the petition is filed with the treasurer.

(c) The department of local government finance shall prescribe:

(1) the form of the petition; and

(2) the type of written proof;

required under subsection (b).

(d) A taxpayer or a taxpayer's representative may appeal a determination of the county treasurer under subsection (b) to deny a penalty waiver by filing a notice in writing with the treasurer not more than forty-five (45) days after the treasurer gives the taxpayer or the taxpayer's representative notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

As added by P.L.67-2006, SEC.12. Amended by P.L.146-2008, SEC.295.

IC 6-1.1-37-11
Interest on refunds or credits

Sec. 11. (a) If a taxpayer is entitled to a property tax refund or credit because an assessment is decreased, the taxpayer shall also be paid, or credited with, interest on the excess taxes that the taxpayer paid at the rate established for excess tax payments by the commissioner of the department of state revenue under IC 6-8.1-10-1. However, in the case of an assessment that is decreased by the Indiana board or the Indiana tax court, the taxpayer is not entitled to the greater of five hundred dollars ($500) or twenty percent (20%) of the interest to which the taxpayer would otherwise be entitled on the excess taxes unless the taxpayer affirms, under penalty of perjury, that substantive evidence supporting the taxpayer's position had been:

(1) presented by the taxpayer to the assessor before; or
(2) introduced by the taxpayer at;

the hearing held by the county property tax assessment board of appeals. An appraisal may not be required by the county property tax assessment board of appeals or the assessor in a proceeding before the county property tax assessment board of appeals or in a preliminary informal meeting under IC 6-1.1-15-1(h)(2).

(b) For purposes of this section and except as provided in subsection (c), the interest shall be computed:

(1) from the date on which the taxes were paid or due, whichever is later, to the date of the refund or credit; and
(2) using the rate in effect under IC 6-8.1-10-1 for each particular year covered by the refund or credit.

If a taxpayer is sent a provisional tax statement and is later sent a final or reconciling tax statement, interest shall be computed after the date on which the taxes were paid or first due under the provisional tax statement, whichever is later, through the date of the refund or credit.

(c) This subsection applies if a taxpayer who is entitled to a refund or credit does not make a written request for the refund or credit to the county auditor within forty-five (45) days after the final determination of the county property tax assessment board of appeals, the state board of tax commissioners, the department of local government finance, the Indiana board, or the tax court that entitles the taxpayer to the refund or credit. In the case of a taxpayer described in this subsection, the interest shall be computed from the date on which the taxes were paid or due to the date that is forty-five (45) days after the final determination of the county property tax assessment board of appeals, the state board of tax commissioners, the department of local government finance, the Indiana board of tax review, or the Indiana tax court. In any event, a property tax refund or credit must be issued not later than ninety (90) days after the request is received.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.198-2001, SEC.93; P.L.137-2012, SEC.40; P.L.146-2012, SEC.7; P.L.13-2013, SEC.19; P.L.235-2013, SEC.4; P.L.288-2013, SEC.25.

IC 6-1.1-37-12
Interest or penalties credited or charged to appropriate taxing units

Sec. 12. The amount of interest or penalty collected from, or credited or refunded to, a taxpayer under this chapter shall be credited or charged to the appropriate taxing units.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-37-13
Prosecuting attorneys; enforcement

Sec. 13. Except as otherwise specifically provided by law, the prosecuting attorneys of this state shall enforce all the penalties and forfeitures prescribed under this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-38
Repealed

(Repealed by P.L.178-2002, SEC.142.)

IC 6-1.1-39

Chapter 39. Economic Development Districts

IC 6-1.1-39-0.3

Legalization of certain loans, loan agreements, and similar arrangements

Sec. 0.3. (a) The definitions set forth in IC 4-4-8 (before its repeal) and this chapter apply to this section.

(b) Notwithstanding any other law, all loans, loan agreements, or similar arrangements between the department and a qualified entity are legalized and declared valid if these loans, loan agreements, or similar arrangements have been delivered and the department has lent money according to the loans, loan agreements, or similar arrangements before March 5, 1988. All proceedings had and actions taken with respect to these loans, loan agreements, or similar arrangements are fully legalized and declared valid.

(c) Any economic development district created by any qualified entity before March 5, 1988, is legalized and declared valid and is declared a special taxing district that provides special benefits to taxpayers in the economic development district by providing local public improvements that are of public use and benefit. Any indebtedness of the unit created before March 5, 1988, for local public improvements shall be considered debt of the special taxing district and not the general obligation of the unit that established the economic development district.

As added by P.L.220-2011, SEC.131.

IC 6-1.1-39-1

Application of chapter

Sec. 1. (a) This chapter applies to all counties, cities, and towns (referred to in this chapter as units).

(b) Notwithstanding any other law, for economic development districts established after January 1, 1992, this chapter does not apply to fire protection districts established under IC 36-8-11.

As added by P.L.19-1985, SEC.5. Amended by P.L.1-1993, SEC.35.

IC 6-1.1-39-1.1

"Additional area" defined

Sec. 1.1. As used in this chapter, "additional area" means an area added to an economic development district under section 6 of this chapter.

As added by P.L.63-1991, SEC.1 and P.L.42-1992, SEC.6. Amended by P.L.1-1993, SEC.36.

IC 6-1.1-39-1.2

"Local public improvement" defined

Sec. 1.2. As used in this chapter, "local public improvement" means sewerlines, waterlines, streets, sidewalks, bridges, roads, highways, public ways, and any related public improvements.

As added by P.L.19-1988, SEC.5.

IC 6-1.1-39-1.5
"Industrial development program" defined

Sec. 1.5. As used in this chapter, "industrial development program" has the meaning set forth in IC 5-28-9-3.

As added by P.L.24-1987, SEC.11. Amended by P.L.4-2005, SEC.43.

IC 6-1.1-39-1.6
"Qualified industrial development project" defined

Sec. 1.6. As used in this chapter, "qualified industrial development project" means an industrial development project (as defined in IC 4-4-10.9-11(a)) that has a cost of the project (as defined in IC 4-4-10.9-5) greater than one hundred million dollars ($100,000,000).

As added by P.L.24-1987, SEC.12.

IC 6-1.1-39-2
Designation of unit area as district; adoption of declaratory ordinance

Sec. 2. (a) If the fiscal body of a unit finds that:

(1) in order to promote opportunities for the gainful employment of its citizens, the attraction of a new business enterprise to the unit, the retention or expansion of a business enterprise existing within the boundaries of the unit, or the preservation or enhancement of the tax base of the unit, an area under the fiscal body's jurisdiction should be declared an economic development district;

(2) the public health and welfare of the unit will be benefited by designating the area as an economic development district; and

(3) there has been proposed a qualified industrial development project to be located in the economic development district, with the proposal supported by:

(A) financial and economic data; and

(B) preliminary commitments by business enterprises, associations, state or federal governmental units, or similar entities that evidence a reasonable likelihood that the proposed qualified industrial development project will be initiated and accomplished;

the fiscal body may on or before the adoption deadline determined under subsection (c), adopt an ordinance declaring the area to be an economic development district and declaring that the public health and welfare of the unit will be benefited by the designation.

(b) For the purpose of adopting an ordinance under subsection (a), it is sufficient to describe the boundaries of the area by its location in relation to public ways or streams or otherwise as determined by the fiscal body.

(c) The adoption deadline referred to in subsection (a) is determined in the following manner:

(1) The initial adoption deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial adoption deadline and subsequent adoption deadlines are automatically extended in

increments of five (5) years, so that adoption deadlines subsequent to the initial adoption deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an adoption deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of adoption deadlines under subdivision (2); and

(B) specifically designates a particular date as the final adoption deadline.

As added by P.L.19-1985, SEC.5. Amended by P.L.24-1987, SEC.13; P.L.18-1992, SEC.23; P.L.25-1995, SEC.55; P.L.216-2005, SEC.5.

IC 6-1.1-39-2.5

Review of proposed project; preliminary certification

Sec. 2.5. (a) Within thirty (30) days after the adoption of the ordinance under section 2 of this chapter, the fiscal body shall file with the Indiana economic development corporation:

(1) a copy of the ordinance;

(2) a description of the proposed industrial development program and qualified industrial development project; and

(3) other additional data and information that will enable the corporation to determine preliminarily whether the unit may qualify for a loan from the industrial development fund established under IC 5-28-9.

(b) The Indiana economic development corporation shall review the data and related information submitted under subsection (a) to determine preliminarily whether:

(1) the proposed project will qualify as a qualified industrial development project;

(2) there is a reasonable likelihood that the proposed qualified industrial development project will be initiated and accomplished; and

(3) there is a reasonable likelihood that an application by the unit under IC 5-28-9-12 for a loan from the industrial development fund to institute and administer the proposed industrial development program will be approved by the corporation and the state board of finance.

(c) If the Indiana economic development corporation preliminarily determines under subsection (b) that the proposed project does not or will not qualify as a qualified industrial development project or that there is not a reasonable likelihood that a loan from the industrial development fund will be approved under IC 5-28-9-12, the corporation shall certify this determination in writing to the fiscal body adopting the ordinance. Upon this certification, the ordinance proposing to establish the economic development district is void.

(d) If the Indiana economic development corporation preliminarily determines under subsection (b) that the proposed project qualifies or will qualify as a qualified industrial development project and that there is a reasonable likelihood that a loan from the industrial

development fund will be approved under IC 5-28-9-12, the corporation shall certify this determination to the fiscal body adopting the ordinance proposing to establish the economic development district. Upon receipt of this certification, the fiscal body shall proceed to take final action with respect to the ordinance in accordance with section 3 of this chapter.

(e) A favorable preliminary certification under subsection (d) does not, however, represent or constitute a final determination by the Indiana economic development corporation and state board of finance as to whether the unit will obtain a loan from the industrial development fund in accordance with IC 5-28-9.

As added by P.L.24-1987, SEC.14. Amended by P.L.4-2005, SEC.44.

IC 6-1.1-39-3

Notice of adoption of ordinance; hearing; requisites; final action; appeal

Sec. 3. (a) The fiscal body shall publish notice of the adoption and substance of the ordinance in accordance with IC 5-3-1 after:

(1) the adoption of the ordinance under section 2 of this chapter; and

(2) the fiscal body receives preliminary certification from the Indiana economic development corporation under section 2.5 of this chapter that the proposed industrial development project qualifies as a qualified industrial development project and that there is a reasonable likelihood that a loan from the industrial development fund will be approved under IC 5-28-9-12.

The notice must state the general boundaries of the area designated as an economic development district and must state that written remonstrances may be filed with the fiscal body until the time designated for the hearing. The notice must also name the place, date, and time when the fiscal body will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed economic development district designation and will determine the public utility and benefit of the proposed economic development district designation. All persons affected in any manner by the hearing, including all taxpayers of the economic development district, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the fiscal body affecting the economic development district if the fiscal body gives the notice required by this section.

(b) A copy of the notice of the hearing shall be filed with the office of the unit's plan commission, board of zoning appeals, works board, park board, building commissioner, and any other departments, bodies, or officers of the unit having to do with unit planning, variances from zoning ordinances, land use, or the issuance of building permits.

(c) At the hearing, which may be recessed and reconvened from time to time, the fiscal body shall hear all persons interested in the proceedings and shall consider all written remonstrances and

objections that have been filed. After considering the evidence presented, the fiscal body shall take final action determining the public utility and benefit of the proposed economic development district designation and confirming, modifying and confirming, or rescinding the ordinance. The final action taken by the fiscal body shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by section 4 of this chapter.
As added by P.L.19-1985, SEC.5. Amended by P.L.24-1987, SEC.15; P.L.4-2005, SEC.45.

IC 6-1.1-39-4
Appellate procedure; grounds; burden of proof

Sec. 4. (a) A person who filed a written remonstrance with the fiscal body under section 3 of this chapter and is aggrieved by the final action taken, may, within ten (10) days after that final action, file in the office of the clerk of the circuit or superior court of the county in which the action is taken a copy of the ordinance of the fiscal body and the person's remonstrance against that ordinance, together with the person's bond as provided by IC 34-13-5-7, if the appeal is determined against the person. The only ground of remonstrance that the court may hear is whether the proposed economic development district designation will be of public utility and benefit. The burden of proof is on the remonstrator.

(b) An appeal under this section shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined within thirty (30) days after the time of the filing of the appeal. The court shall decide the appeal based on the record and evidence before the fiscal body, not by trial de novo, and may confirm the final action of the fiscal body or sustain the remonstrances. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.
As added by P.L.19-1985, SEC.5. Amended by P.L.1-1998, SEC.77.

IC 6-1.1-39-5
Allocation and distribution of property taxes; assessed value of taxable property; rules; forms

Sec. 5. (a) A declaratory ordinance adopted under section 2 of this chapter and confirmed under section 3 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. The allocation provision must apply to the entire economic development district. The allocation provisions must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the economic development district be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date

with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units. However, if the effective date of the allocation provision of a declaratory ordinance is after March 1, 1985, and before January 1, 1986, and if an improvement to property was partially completed on March 1, 1985, the unit may provide in the declaratory ordinance that the taxes attributable to the assessed value of the property as finally determined for March 1, 1984, shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, part or all of the property tax proceeds in excess of those described in subdivision (1), as specified in the declaratory ordinance, shall be allocated to the unit for the economic development district and, when collected, paid into a special fund established by the unit for that economic development district that may be used only to pay the principal of and interest on obligations owed by the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in, or serving, that economic development district. The amount not paid into the special fund shall be paid to the respective units in the manner prescribed by subdivision (1).

(3) When the money in the fund is sufficient to pay all outstanding principal of and interest (to the earliest date on which the obligations can be redeemed) on obligations owed by the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in, or serving, that economic development district, money in the special fund in excess of that amount shall be paid to the respective taxing units in the manner prescribed by subdivision (1).

(b) Property tax proceeds allocable to the economic development district under subsection (a)(2) must, subject to subsection (a)(3), be irrevocably pledged by the unit for payment as set forth in subsection (a)(2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the economic development district that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory ordinance is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Notwithstanding any other law, each assessor shall, upon petition of the fiscal body, reassess the taxable property situated upon or in, or added to, the economic development district effective on the next assessment date after the petition.

(e) Notwithstanding any other law, the assessed value of all taxable property in the economic development district, for purposes

of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(f) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each:

(1) general reassessment under IC 6-1.1-4-4; or

(2) reassessment of a group of parcels under a reassessment plan prepared under IC 6-1.1-4-4.2;

the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment on the property tax proceeds allocated to the district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1.

(g) As used in this section, "property taxes" means:

(1) taxes imposed under this article on real property; and

(2) any part of the taxes imposed under this article on depreciable personal property that the unit has by ordinance allocated to the economic development district. However, the ordinance may not limit the allocation to taxes on depreciable personal property with any particular useful life or lives.

If a unit had, by ordinance adopted before May 8, 1987, allocated to an economic development district property taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the ordinance continues in effect until an ordinance is adopted by the unit under subdivision (2).

(h) As used in this section, "base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (f); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Subdivision (2) applies only to economic development districts established after June 30, 1997, and to additional areas established after June 30, 1997.

As added by P.L.19-1985, SEC.5. Amended by P.L.24-1987, SEC.16; P.L.86-1987, SEC.5; P.L.255-1997(ss), SEC.6; P.L.90-2002, SEC.272; P.L.4-2005, SEC.46; P.L.154-2006, SEC.56;

P.L.146-2008, SEC.296; P.L.112-2012, SEC.48.

IC 6-1.1-39-6
Enlargement of districts

Sec. 6. An economic development district may be enlarged by the fiscal body by following the same procedure for the creation of an economic development district specified in this chapter.

As added by P.L.19-1985, SEC.5. Amended by P.L.42-1992, SEC.7; P.L.192-2002(ss), SEC.46; P.L.1-2004, SEC.48 and P.L.23-2004, SEC.51; P.L.219-2007, SEC.83; P.L.146-2008, SEC.297.

IC 6-1.1-39-7
Allocation areas; declaration as part of district prohibited

Sec. 7. No area shall be declared part of an economic development district if it has already been declared an allocation area under IC 36-7-14 or IC 36-7-15.1.

As added by P.L.19-1985, SEC.5.

IC 6-1.1-39-8
Expiration of district designation

Sec. 8. If no loans have been made to a unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in an economic development district within two (2) years from the date of the ordinance confirming the establishment of that district, or if money in the special fund established by the unit for that district is sufficient to pay all principal of and interest on and the performance of all other obligations by a unit on all loans made under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in, or serving, an economic development district, then the economic development district designation expires.

As added by P.L.19-1985, SEC.5. Amended by P.L.24-1987, SEC.17; P.L.19-1988, SEC.6; P.L.4-2005, SEC.47.

IC 6-1.1-39-9
Industrial development program obligations; ordinance; proceeds of obligation

Sec. 9. (a) The fiscal body of a unit may by ordinance authorize the issuance of obligations to the department of commerce under IC 4-4-8 (before its repeal) or to the Indiana economic development corporation under IC 5-28-9 payable solely from taxes allocated under section 5 of this chapter. Any obligations issued and payable from taxes allocated under section 5 of this chapter are not general obligations of the unit that established the economic development district under this chapter.

(b) The economic development district created by a unit under this chapter is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the economic development district by providing local public improvements that are of public use and benefit.

(c) The ordinance of a unit authorizing the issuance of obligations must contain a finding of the fiscal body that the proposed industrial development program:

(1) constitutes a local public improvement;

(2) provides special benefits to property owners in the district; and

(3) will be of public use and benefit.

(d) Proceeds of obligations issued under this section, IC 4-4-8 (before its repeal), and IC 5-28-9 may be used to pay for the following:

(1) The cost of local public improvements.

(2) Interest on the obligations for the period of construction of the local public improvements plus one (1) year after completion of construction.

(3) Reasonable debt service reserves.

(4) Costs of issuance of the obligations.

(5) Any other reasonable and necessary expenses related to issuance of the obligations.

As added by P.L.19-1988, SEC.7. Amended by P.L.4-2005, SEC.48; P.L.146-2008, SEC.298.

IC 6-1.1-40

Chapter 40. Maritime Opportunity Districts

IC 6-1.1-40-1

"Commission" defined

Sec. 1. As used in this chapter, "commission" refers to the ports of Indiana established by IC 8-10-1-3.

As added by P.L.62-1988, SEC.1. Amended by P.L.98-2008, SEC.6.

IC 6-1.1-40-1.5

"Affiliate" defined

Sec. 1.5. As used in this chapter, "affiliate" means an entity that effectively controls or is controlled by an applicant for a deduction under this chapter or is associated with an applicant for a deduction under this chapter under common ownership or control, whether by shareholdings or other means.

As added by P.L.154-2006, SEC.57.

IC 6-1.1-40-2

"District" defined

Sec. 2. As used in this chapter, "district" means a geographic territory designated as a maritime opportunity district by the ports of Indiana under section 7 of this chapter.

As added by P.L.62-1988, SEC.1. Amended by P.L.98-2008, SEC.7.

IC 6-1.1-40-3

Repealed

(Repealed by P.L.146-2008, SEC.800.)

IC 6-1.1-40-4

"New manufacturing equipment" defined

Sec. 4. As used in this chapter, "new manufacturing equipment" means any tangible personal property that an applicant for the deduction under section 11 of this chapter:

(1) installs in a district;

(2) uses in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property;

(3) acquires in an arms length transaction from an entity that is not an affiliate of the applicant for use as described in subdivision (2); and

(4) never used for any purpose in Indiana before the installation described in subdivision (1).

As added by P.L.62-1988, SEC.1. Amended by P.L.154-2006, SEC.58.

IC 6-1.1-40-5

"Redevelopment" defined

Sec. 5. As used in this chapter, "redevelopment" means the construction of new structures, in a district, either:

(1) on unimproved real estate; or

(2) on real estate upon which a prior existing structure is demolished to allow for a new construction.

As added by P.L.62-1988, SEC.1.

IC 6-1.1-40-6
"Rehabilitation" defined

Sec. 6. As used in this chapter, "rehabilitation" means the remodeling, repair, or improvement of property in any manner or any enlargement or extension of property.

As added by P.L.62-1988, SEC.1.

IC 6-1.1-40-7
Designation as district

Sec. 7. (a) The commission may find that a geographic territory is a maritime opportunity district if the commission determines that:

(1) the territory is located adjacent to a state owned port on state owned land;

(2) there will be redevelopment or rehabilitation of property within the territory;

(3) the redevelopment or rehabilitation will require a substantial investment relative to the size of the business making the investment;

(4) the business making an investment will be manufacturing goods;

(5) more than fifty percent (50%) of the goods manufactured are to be shipped through a port operated by the state and are destined for international markets;

(6) the business is making a long term commitment to the territory; and

(7) there will be an increase in the revenue of the port.

(b) To make such a finding, the commission shall use the procedures prescribed in section 8 of this chapter.

(c) The commission may adopt a resolution establishing general standards to be used, along with the requirements set forth in subsection (a). The standards must have a reasonable relationship to the development objectives of the district.

(d) If a person requests the designation of a territory as a district, the commission may charge an application fee sufficient to defray actual processing and administrative costs. In declaring a territory to be a district, the commission may limit the time period to a certain number of calendar years during which the district shall be so designated. To exercise one (1) or more of these powers, the commission must include this fact in the resolution passed under section 8 of this chapter.

(e) If the commission limits the time period during which a territory will be a district, it does not limit the length of time a taxpayer is entitled to receive a deduction under section 10 of this chapter.

As added by P.L.62-1988, SEC.1.

IC 6-1.1-40-8

Description of district; resolution; remonstrance; appeal

Sec. 8. (a) If the commission finds that a territory is a district, it shall either:

(1) prepare maps and plats that identify the district; or

(2) prepare a simplified description of the boundaries of the district by describing its location in relation to public ways, streams, or otherwise.

(b) After the compilation of the materials described in subsection (a), the commission shall pass a resolution declaring the territory a district. The resolution must contain a description of the affected district and be filed with the county assessor.

(c) After approval of a resolution under subsection (b), the commission shall publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1. The notice must state that a description of the affected territory is available and can be inspected in the county assessor's office. The notice must also name a date when the commission will receive and hear all remonstrances and objections from interested persons. After considering the evidence, the commission shall take final action determining whether the qualifications for a district have been met and confirming, modifying and confirming, or rescinding the resolution. This determination is final except that an appeal may be taken and heard as provided under subsections (d) and (e).

(d) A person who filed a written remonstrance with the commission under this section and who is aggrieved by the final action taken may, within ten (10) days after that final action, initiate an appeal of that action by filing in the office of the clerk of the circuit or superior court a copy of the order of the commission and a remonstrance against that order, together with a bond conditioned to pay the costs of appeal if the appeal is determined against the person. The only ground of appeal that the court may hear is whether the proposed project will meet the qualifications of this chapter. The burden of proof is on the appellant.

(e) An appeal under this section shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal, and may confirm the final action of the commission or sustain the appeal. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

As added by P.L.62-1988, SEC.1.

IC 6-1.1-40-9

Manufacturing equipment; statement of benefits; review; findings

Sec. 9. (a) Before a person acquires new manufacturing equipment for which the person wishes to claim a deduction under this chapter, the person must submit to the commission a statement of benefits, in a form prescribed by the department of local government finance.

The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment that the person proposes to acquire.

(2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment.

(b) The statement of benefits may contain any other information required by the commission. If the person is requesting or will be requesting the designation of a district, the statement of benefits must be submitted at the same time as the request for designation is submitted.

(c) The commission shall review the statement of benefits if required under subsection (b). The commission shall make findings determining whether the estimate of:

(1) the number of individuals who will be employed or whose employment will be retained;

(2) the annual salaries of those individuals;

(3) the value of the new manufacturing equipment; and

(4) any other benefits about which the commission requires information;

are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment.

As added by P.L.62-1988, SEC.1. Amended by P.L.90-2002, SEC.273; P.L.146-2008, SEC.299.

IC 6-1.1-40-10

Deduction for manufacturing equipment

Sec. 10. (a) Subject to subsection (d), an owner of new manufacturing equipment whose statement of benefits is approved is entitled to a deduction from the assessed value of that equipment for a period of ten (10) years. Except as provided in subsections (b) and (c), and subject to subsection (d) and section 14 of this chapter, for the first five (5) years, the amount of the deduction for new manufacturing equipment that an owner is entitled to for a particular year equals the assessed value of the new manufacturing equipment. Subject to subsection (d) and section 14 of this chapter, for the sixth through the tenth year, the amount of the deduction equals the product of:

(1) the assessed value of the new manufacturing equipment; multiplied by

(2) the percentage prescribed in the following table:

YEAR OF DEDUCTION	PERCENTAGE
6th	100%
7th	95%
8th	80%
9th	65%
10th	50%

11th and thereafter	0%

(b) A deduction under this section is not allowed in the first year the deduction is claimed for new manufacturing equipment to the extent that it would cause the assessed value of all of the personal property of the owner in the taxing district in which the equipment is located to be less than the assessed value of all of the personal property of the owner in that taxing district in the immediately preceding year.

(c) If a deduction is not fully allowed under subsection (b) in the first year the deduction is claimed, then the percentages specified in subsection (a) apply in the subsequent years to the amount of deduction that was allowed in the first year.

(d) For purposes of subsection (a), the assessed value of new manufacturing equipment that is part of an owner's assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided by

(B) the total true tax value of all of the owner's depreciable personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

As added by P.L.62-1988, SEC.1. Amended by P.L.154-2006, SEC.59; P.L.219-2007, SEC.84; P.L.146-2008, SEC.300.

IC 6-1.1-40-11

Application for deduction; review; change of ownership

Sec. 11. (a) A person that desires to obtain the deduction provided by section 10 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with:

(1) the auditor of the county in which the new manufacturing equipment is located; and

(2) the department of local government finance.

A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment is installed must file the application between March 1 and May 15 of that year.

(b) The application required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment.

(2) A description of the new manufacturing equipment.

(3) Proof of the date the new manufacturing equipment was installed.

(4) The amount of the deduction claimed for the first year of the deduction.

(c) A deduction application must be filed under this section in the year in which the new manufacturing equipment is installed and in each of the immediately succeeding nine (9) years.

(d) The department of local government finance shall review and verify the correctness of each application and shall notify the county auditor of the county in which the property is located that the application is approved or denied or that the amount of the deduction is altered. Upon notification of approval of the application or of alteration of the amount of the deduction, the county auditor shall make the deduction.

(e) If the ownership of new manufacturing equipment changes, the deduction provided under section 10 of this chapter continues to apply to that equipment if the new owner:

(1) continues to use the equipment in compliance with any standards established under section 7(c) of this chapter; and

(2) files the applications required by this section.

(f) The amount of the deduction is:

(1) the percentage under section 10 of this chapter that would have applied if the ownership of the property had not changed; multiplied by

(2) the assessed value of the equipment for the year the deduction is claimed by the new owner.

As added by P.L.62-1988, SEC.1. Amended by P.L.1-1993, SEC.37; P.L.198-2001, SEC.94; P.L.146-2008, SEC.301.

IC 6-1.1-40-12

Additional application information; compliance with statement of benefits

Sec. 12. In addition to the requirements of section 11(b) of this chapter, an application for a deduction filed under section 11 of this chapter must contain any additional information required to show compliance with the statement of benefits approved under section 9 of this chapter.

As added by P.L.62-1988, SEC.1.

IC 6-1.1-40-13

Benefit performance waiver certificate

Sec. 13. Instead of the additional information required by section 12 of this chapter to show compliance with a statement of benefits approved under section 9 of this chapter, the property owner may substitute a benefit performance waiver certificate issued by the

commission. The commission may issue a certificate if it finds that causes beyond the reasonable control of the property owner are preventing realization of the benefits identified in the statement of benefits and if it finds that the purposes of the chapter are served by allowing the deduction.
As added by P.L.62-1988, SEC.1.

IC 6-1.1-40-14
Correction of deduction errors

Sec. 14. If:

(1) as the result of an error the county auditor applies a deduction under this chapter for a particular assessment date in an amount that is less than the amount to which the taxpayer is entitled under this chapter; and

(2) the taxpayer is entitled to a correction of the error under this article;

the county auditor shall apply the correction of the error in the manner that corrections are applied under IC 6-1.1-12.1-15.
As added by P.L.219-2007, SEC.85.

IC 6-1.1-41

Chapter 41. Cumulative Fund Tax Levy Procedures

IC 6-1.1-41-1

Application of chapter

Sec. 1. This chapter applies to establishing and imposing a tax levy for cumulative funds under the following:

(1) IC 3-11-6.
(2) IC 8-10-5.
(3) IC 8-16-3.
(4) IC 8-16-3.1.
(5) IC 8-22-3.
(6) IC 14-27-6.
(7) IC 14-33-21.
(8) IC 16-22-4.
(9) IC 16-22-8.
(10) IC 36-8-14.
(11) IC 36-9-4.
(12) IC 36-9-14.
(13) IC 36-9-14.5.
(14) IC 36-9-15.
(15) IC 36-9-15.5.
(16) IC 36-9-16.
(17) IC 36-9-17.
(18) IC 36-9-17.5.
(19) IC 36-9-26.
(20) IC 36-9-27.
(21) IC 36-10-3.
(22) IC 36-10-4.
(23) IC 36-10-7.5.
(24) Any other statute that specifies that a property tax levy may be imposed under this chapter.

As added by P.L.17-1995, SEC.6. Amended by P.L.129-1999, SEC.1.

IC 6-1.1-41-2

Authorization of fund and tax levies

Sec. 2. (a) In addition to complying with the budget, tax rate, and tax levy requirements applicable to other tax levies, a political subdivision may:

(1) establish a cumulative fund and impose a property tax for the cumulative fund; or
(2) increase the tax rate for a cumulative fund;

only after the proposal is adopted and approved in compliance with this chapter.

(b) If an action described in this section is not adopted or approved in conformity with this chapter, the political subdivision may not levy a tax for the fund in the ensuing year.

As added by P.L.17-1995, SEC.6.

IC 6-1.1-41-3

Notice of proposal; hearing

Sec. 3. (a) A political subdivision that decides to establish a fund under this chapter must:

(1) give notice of the proposal to the affected taxpayers; and

(2) hold a public hearing on the proposal;

before presenting the proposal to the department of local government finance for approval.

(b) Notice of the proposal and of the public hearing shall be given by publication in accordance with IC 5-3-1.

(c) For a cumulative fund authorized under IC 3-11-6 or IC 8-10-5-17, the political subdivision imposing a property tax levy shall post a notice of the proposal and the public hearing in three (3) public places in the political subdivision.

(d) A notice required by this section must describe the tax levy that will be imposed for the fund.

(e) If a political subdivision adopts a proposal to establish a fund or modify a tax rate under this chapter at a public hearing held in accordance with this section, the political subdivision shall publish notice of adoption in accordance with IC 5-3-1-2(i) in a manner prescribed by the department of local government finance.

As added by P.L.17-1995, SEC.6. Amended by P.L.90-2002, SEC.274; P.L.137-2012, SEC.41.

IC 6-1.1-41-4

Submission of proposal to department of local government finance

Sec. 4. A political subdivision that in any year adopts a proposal under this chapter must submit the proposal to the department of local government finance before August 2 of that year.

As added by P.L.17-1995, SEC.6. Amended by P.L.90-2002, SEC.275.

IC 6-1.1-41-5

Repealed

(Repealed by P.L.137-2012, SEC.42.)

IC 6-1.1-41-6

Objections to establishment of fund or increase in tax rate related to fund

Sec. 6. Not later than noon thirty (30) days after the publication of the notice of adoption required by section 3 of this chapter:

(1) at least ten (10) taxpayers in the taxing district, if the fund is authorized under IC 8-10-5-17, IC 8-16-3-1, IC 8-16-3.1-4, IC 14-27-6-48, IC 14-33-21-2, IC 36-8-14-2, IC 36-9-4-48, or IC 36-10-4-36;

(2) at least twenty (20) taxpayers in a county served by a hospital, if the fund is authorized under IC 16-22-4-1;

(3) at least thirty (30) taxpayers in a tax district, if the fund is authorized under IC 36-10-3-21 or IC 36-10-7.5-19;

(4) at least fifty (50) taxpayers in a municipality, township, or county, if subdivision (1), (2), (3), or (5) does not apply; or

(5) at least one hundred (100) taxpayers in the county, if the fund is authorized by IC 3-11-6;

may file a petition with the county auditor stating their objections to an action described in section 2 of this chapter. Upon the filing of the petition, the county auditor shall immediately certify the petition to the department of local government finance.

As added by P.L.17-1995, SEC.6. Amended by P.L.90-2002, SEC.277; P.L.137-2012, SEC.43.

IC 6-1.1-41-7

Hearing on objections

Sec. 7. (a) The department of local government finance shall within a reasonable time fix a date for a hearing on a petition filed under section 6 of this chapter.

(b) For a cumulative fund authorized under IC 3-11-6 or IC 36-9-4-48, the hearing must be held in the county affected by the proposed action.

As added by P.L.17-1995, SEC.6. Amended by P.L.90-2002, SEC.278.

IC 6-1.1-41-8

Notice of hearing

Sec. 8. The department of local government finance shall give notice of the hearing required by section 7 of this chapter to:

(1) the county auditor; and

(2) the first ten (10) taxpayers whose names appear on the petition.

The notice must be given by letter signed by the commissioner or deputy commissioner of the department of local government finance and sent by mail with prepaid postage to the auditor and the taxpayers at their usual place of residence at least five (5) days before the date fixed for the hearing.

As added by P.L.17-1995, SEC.6. Amended by P.L.90-2002, SEC.279.

IC 6-1.1-41-9

Department of local government finance action on proposal; appeal

Sec. 9. (a) After a hearing upon a proposal under section 7 of this chapter, the department of local government finance shall certify approval, disapproval, or modification of the proposal to the county auditor.

(b) A:

(1) taxpayer who signed a petition filed under section 6 of this chapter; or

(2) political subdivision against which a petition under section 6 of this chapter is filed;

may petition for judicial review of the final determination of the department of local government finance under subsection (a). The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (a).

As added by P.L.17-1995, SEC.6. Amended by P.L.90-2002, SEC.280; P.L.256-2003, SEC.30; P.L.137-2012, SEC.44.

IC 6-1.1-41-10
Imposition of tax levy to provide for fund

Sec. 10. To provide for a fund, a political subdivision may levy a tax on all taxable property within the jurisdiction authorized to establish the fund. The tax may not exceed the tax rate specified in the statute authorizing the fund.
As added by P.L.17-1995, SEC.6.

IC 6-1.1-41-11
Reduction or rescission of annual levy

Sec. 11. If a political subdivision considers it advisable after the levy has been approved, the governing body imposing the levy for the political subdivision may reduce or rescind the annual levy.
As added by P.L.17-1995, SEC.6.

IC 6-1.1-41-12
Petition for reduction or revision of fund levy

Sec. 12. At least:

(1) ten (10) taxpayers in the tax district, if the fund is authorized under IC 8-10-5-17, IC 8-16-3-1, IC 8-16-3.1-4, IC 14-27-6-48, IC 14-33-21-2, IC 36-8-14-2, IC 36-9-4-48, or IC 36-10-4-36; or

(2) fifty (50) taxpayers in the area where a property tax for a fund is imposed, if subdivision (1) does not apply;

may file with the county auditor, by noon August 1 of a year, a petition for reduction or revision of the levy approved under this chapter. The petition must state the taxpayers' objections to the levy. The county auditor shall certify the petition to the department of local government finance, and the same procedure for notice and hearing must be followed that was required for the original levy. After a hearing on the petition, the department of local government finance may confirm, reduce, or rescind the levy. The department of local government finance's action is final and conclusive.
As added by P.L.17-1995, SEC.6. Amended by P.L.90-2002, SEC.281; P.L.1-2010, SEC.34.

IC 6-1.1-41-13
Property tax levy

Sec. 13. After a political subdivision complies with this chapter, a property tax may be levied annually at the tax rate approved under this chapter without further action under this chapter. The tax levy must be advertised annually as other tax levies are advertised.
As added by P.L.17-1995, SEC.6.

IC 6-1.1-41-14
Earmarking of levied tax funds; expenditures

Sec. 14. The tax collected for a fund must be held in the fund for

which the tax was levied. The fund may not be expended for any purpose other than the purposes specified by statute authorizing the fund. Except to the extent that IC 8-16-3-3(c), IC 14-27-6-48(c), IC 36-9-14.5-8(c), IC 36-9-15.5-8(c), or another statute specifically provides a different procedure, expenditures may be made from the fund only after an appropriation has been made in the manner provided by law for making other appropriations.
As added by P.L.17-1995, SEC.6.

IC 6-1.1-41-15
Transfer of fund balance; revision

Sec. 15. If the political subdivision establishing a fund:

(1) decides that the purposes for which the fund was established have been accomplished or no longer exist; or

(2) rescinds the tax levy for the fund;

the governing body establishing the fund for the political subdivision may transfer the balance in the fund to the general fund of the political subdivision. The money in a fund does not otherwise revert to the general fund of a political subdivision at the end of the political subdivision's fiscal year.
As added by P.L.17-1995, SEC.6.

IC 6-1.1-41-16
Town of Zionsville; cumulative fund for fire protection and related services

Sec. 16. (a) This section applies to the town of Zionsville.

(b) Upon the request of the town, the department of local government finance shall establish for the town a cumulative building and equipment fund for fire protection and related services as described in IC 36-8-14 to be a fund of the town beginning in 2014.
As added by P.L.257-2013, SEC.32.

IC 6-1.1-41-17
Frankfort airport authority; cumulative building fund levy and rate

Sec. 17. (a) This section applies to the Frankfort Airport Authority in Clinton County.

(b) Notwithstanding IC 8-22-3-25, the maximum permissible ad valorem property tax levy for the authority's cumulative building fund may not exceed sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed value of taxable property within the district.
As added by P.L.257-2013, SEC.33.

IC 6-1.1-42

Chapter 42. Brownfield Revitalization Zone Tax Abatement

IC 6-1.1-42-0.3

Legalization of certain brownfield revitalization zones, deductions in brownfield revitalization zones; voiding designations of other brownfield revitalization zones, deductions

Sec. 0.3. (a) A brownfield revitalization zone that was established or a deduction in a brownfield revitalization zone that was granted after June 30, 1997, and before May 3, 1999, in conformity with this chapter, as amended by P.L.119-1999, is legalized and validated to the same extent as if the changes in P.L.119-1999 had been part of P.L.59-1997.

(b) A brownfield revitalization zone that was established or a deduction in a brownfield revitalization zone that was granted after June 30, 1997, and before May 3, 1999, in response to an applicant that:

(1) had an ownership interest in an entity that contributed; or

(2) contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of a voluntary remediation under IC 13-25-5 is void to the same extent as if P.L.119-1999 had been part of P.L.59-1997.

As added by P.L.220-2011, SEC.132.

IC 6-1.1-42-1

"Brownfield" defined

Sec. 1. As used in this chapter, "brownfield" has the meaning set forth in IC 13-11-2-19.3.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-2

"Designating body" defined

Sec. 2. As used in this chapter, "designating body" means the following:

(1) For an area located in an unincorporated area in a county that does not contain a consolidated city, the county fiscal body.

(2) For an area located in a city or town in a county that does not contain a consolidated city, the city or town fiscal body.

(3) For an area located in a county containing a consolidated city, the metropolitan development commission.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-3

"Remediation" defined

Sec. 3. As used in this chapter, "remediation" has the meaning set forth in IC 13-11-2-186.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-4

"Zone" defined

Sec. 4. As used in this chapter, "zone" means a brownfield revitalization zone established under this chapter.
As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-5
Application for designation as brownfield revitalization zone

Sec. 5. (a) A person may apply to a designating body to designate an area as a brownfield revitalization zone.

(b) An application under this section must:

(1) be submitted to the designating body before the initiation of a voluntary remediation under IC 13-25-5;

(2) include sufficient information for the designating body to declare the area a zone; and

(3) be in the form prescribed by the department of local government finance.

As added by P.L.59-1997, SEC.1. Amended by P.L.90-2002, SEC.282.

IC 6-1.1-42-6
Statement of public benefits

Sec. 6. Not later than the date that the designating body adopts a resolution under section 9 of this chapter, the applicant shall submit a statement of public benefits to the designating body. The statement of benefits must include the following information:

(1) A description of the proposed remediation and redevelopment.

(2) An estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the remediation and redevelopment and an estimate of the annual salaries of these individuals.

(3) An estimate of the value of the remediation and redevelopment.

The statement of benefits may be incorporated in a designation application. A statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.
As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-7
Powers of designating body

Sec. 7. A designating body may, by resolution, do the following:

(1) Impose a fee for filing an application to designate an area as a zone or to approve a deduction. The fee may be sufficient to defray actual processing and administrative costs associated with the application.

(2) Establish general written standards for declaring an area as a zone. The written standards must be reasonably related to accomplishing the purposes of this chapter.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.2.

IC 6-1.1-42-8

Duties of designating body

Sec. 8. If a designating body proposes to designate a zone, the designating body shall either:

(1) prepare maps and plats that identify the proposed brownfield revitalization zone; or

(2) prepare a simplified description of the boundaries of the brownfield revitalization zone by describing its location in relation to public ways, streams, or otherwise.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-9

Adoption of resolution

Sec. 9. After the submission of a statement of benefits under section 6 of this chapter and the compilation of the materials described in section 8 of this chapter, the designating body may adopt a resolution to declare the area a brownfield revitalization zone.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-10

Publication of notice

Sec. 10. A designating body that adopts a resolution under section 9 of this chapter, shall do the following:

(1) Publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1.

(2) File the following information with each taxing unit that has authority to levy property taxes in the geographic area where the zone is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement containing substantially the same information as a statement of benefits filed with the designating body under section 6 of this chapter.

The notice must state that a description of the affected area is available and can be inspected in the county assessor's office. The notice must also name a date when the designating body will receive and hear all remonstrances and objections from interested persons. The designating body shall file the information required by subdivision (2) with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing.

As added by P.L.59-1997, SEC.1. Amended by P.L.2-1998, SEC.23; P.L.96-2000, SEC.2.

IC 6-1.1-42-11

Review of statement of benefits

Sec. 11. The designating body must review the statement of benefits required under section 6 of this chapter and conduct a public hearing on the creation of the zone.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-12

Designation of brownfield revitalization zone

Sec. 12. (a) The designating body shall determine whether an area should be designated a brownfield revitalization zone.

(b) A designating body may designate an area as a brownfield revitalization zone only if the following findings are made in the affirmative:

(1) The applicant:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

(2) The area described in section 8 of this chapter qualifies as a brownfield, as determined under the written standards adopted by the department of environmental management.

(3) The area described in section 8 of this chapter is substantially under-utilized or nonproductive without remediation.

(4) The applicant can successfully obtain a certificate of completion of a voluntary remediation for the area described in section 8 of this chapter under IC 13-25-5-16.

(5) The estimate of the value of the remediation and redevelopment is reasonable for projects of that nature.

(6) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described remediation and redevelopment.

(7) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described remediation and redevelopment.

(8) Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described remediation and redevelopment.

(9) The totality of benefits is sufficient to justify the establishment of a zone.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.3.

IC 6-1.1-42-13

Final action; expiration of designation of brownfield revitalization zone

Sec. 13. (a) After considering the evidence, the designating body shall take final action determining whether the qualifications for a brownfield revitalization zone have been met and confirming, modifying and confirming, or rescinding the resolution. This determination is final except that an appeal may be taken and heard as provided under sections 14 and 15 of this chapter.

(b) The designation of an area as a brownfield revitalization zone

expires on the earliest of the following:

(1) The date that the designating body determines that the applicant has failed to comply with the statement of benefits under section 30 of this chapter.

(2) The date that the designating body determines that the applicant has failed to make reasonable progress towards the completion of the remediation. A designating body may not make a determination under this subdivision before a date that is at least two (2) years after the date an area is designated as a brownfield revitalization zone.

(3) December 31 of the last year that the applicant is eligible for a deduction granted under section 24 of this chapter.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-14
Appeals

Sec. 14. A person who filed a written remonstrance with the designating body before the adjournment of the public hearing required under section 11 of this chapter and who is aggrieved by the final action taken may, within ten (10) days after that final action is taken under section 13 of this chapter, initiate an appeal of that action by filing in the office of the clerk of the circuit or superior court a copy of the resolution adopted under section 9 of this chapter, any modifications made under section 13 of this chapter, and the person's remonstrance against the resolution, together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the person. The only ground of appeal that the court may hear is whether the proposed project will meet the qualifications for granting an assessed valuation deduction for the property under this chapter. The burden of proof is on the appellant.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.4.

IC 6-1.1-42-15
Hearing of appeal

Sec. 15. An appeal under section 14 of this chapter shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal, and may confirm the final action of the designating body or sustain the appeal. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-16
Procedures

Sec. 16. The procedures described in sections 17 through 26 of this chapter may be combined with the procedures required under sections 5 through 15 of this chapter to designate an area as a zone.

As added by P.L.59-1997, SEC.1. Amended by P.L.2-1998, SEC.24.

IC 6-1.1-42-17
Application for assessed valuation deduction

Sec. 17. (a) A person may apply for an assessed valuation deduction for:

(1) real property; and

(2) personal property;

located in an area designated as a brownfield revitalization zone.

(b) An application for a deduction for an improvement to a brownfield revitalization zone or personal property located in a brownfield revitalization area must:

(1) be submitted to the designating body before the date that the improvement is initiated or, if the deduction is for personal property, the property is brought into the area;

(2) contain sufficient information for the designating body to approve the deduction; and

(3) be submitted in the form prescribed by the department of local government finance.

As added by P.L.59-1997, SEC.1. Amended by P.L.90-2002, SEC.283; P.L.146-2008, SEC.302.

IC 6-1.1-42-18
Statement of benefits for assessed valuation deduction

Sec. 18. (a) A person that applies for an assessed valuation deduction shall submit a statement of benefits for the deduction to the designating body before the date specified in section 17 of this chapter.

(b) The statement of benefits must:

(1) describe the property that is the subject of the application;

(2) estimate the value of the property that is the subject of the application; and

(3) contain the information required for a statement of benefits described in section 6 of this chapter.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-19
Resolution adopting deduction

Sec. 19. After the submission of a statement of benefits under section 18 of this chapter, the designating body may adopt a resolution to approve a deduction.

As added by P.L.59-1997, SEC.1. Amended by P.L.2-1998, SEC.25.

IC 6-1.1-42-20
Notice of resolution adoption; filing information with taxing unit

Sec. 20. A designating body that adopts a resolution under section 19 of this chapter shall do the following:

(1) Publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1.

(2) File the following information with each taxing unit that has authority to levy property taxes in the geographic area where the zone is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement containing substantially the same information as a statement of benefits filed with the designating body under section 18 of this chapter.

The notice must state that a description of the affected area is available and can be inspected in the county assessor's office. The notice must also name a date when the designating body will receive and hear all remonstrances and objections from interested persons. The designating body shall file the information required by subdivision (2) with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing.

As added by P.L.59-1997, SEC.1. Amended by P.L.253-1997(ss), SEC.5; P.L.2-1998, SEC.26; P.L.96-2000, SEC.3.

IC 6-1.1-42-21

Review of statement of benefits for assessed valuation deduction

Sec. 21. The designating body must review the statement of benefits required under section 18 of this chapter and conduct a public hearing on the proposed deduction.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-22

Approval of deduction

Sec. 22. (a) The designating body shall determine whether to approve a deduction.

(b) A designating body may not grant a deduction for a facility described in IC 6-1.1-12.1-3(e).

(c) A property owner may not receive a deduction under this chapter for repairs or improvements to real property if the owner receives a deduction under either IC 6-1.1-12.1, IC 6-1.1-12-18, IC 6-1.1-12-22, or IC 6-1.1-12-28.5 for the same property.

(d) A designating body may approve a deduction only if the following findings are made in the affirmative:

(1) The applicant:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

(2) The proposed improvement or property will be located in a zone.

(3) The estimate of the value of the remediation and redevelopment is reasonable for projects of that nature.

(4) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described remediation and redevelopment.

(5) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described remediation and redevelopment.

(6) Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described remediation and redevelopment.

(7) The totality of benefits is sufficient to justify the deduction.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.5.

IC 6-1.1-42-23

Limitation of property eligible for deductions

Sec. 23. With respect to property in a particular brownfield revitalization zone, the designating body may do the following:

(1) Limit the type of property that is eligible for a deduction within a brownfield revitalization zone to personal property or real property.

(2) Limit the dollar amount of the individual or aggregate deductions that will be allowed with respect to personal property.

(3) Limit the dollar amount of the deduction that will be allowed with respect to real property.

(4) Impose reasonable conditions for allowing a deduction for tangible property under this chapter. The conditions must have a reasonable relationship to the development objectives of the area in which the designating body has jurisdiction.

To exercise one (1) or more of these powers a designating body must include this fact in the resolution creating the brownfield revitalization zone that is finally passed under section 13 of this chapter.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.6.

IC 6-1.1-42-24

Final action; granting of deductions; expiration

Sec. 24. (a) After considering the evidence, the designating body shall take final action determining whether the qualifications for deduction have been met and confirming, modifying and confirming, or rescinding the resolution. For each deduction granted by the designating body, the designating body shall state in the resolution granting the deduction whether the deduction is for three (3) six (6), or ten (10) years. This determination is final except that an appeal may be taken and heard as provided under sections 25 and 26 of this chapter.

(b) A determination to grant a deduction under this chapter may be made:

(1) as part of the resolution adopted under section 13 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution shall

be sent to the county auditor.

(c) The grant allowing a brownfield revitalization zone deduction expires on the earliest of the following:

(1) The date that the designating body determines that the applicant has failed to make reasonable progress towards the completion of the remediation. A designating body may not make a determination under this subdivision before a date that is at least two (2) years after the date an area is designated as a brownfield revitalization zone.

(2) December 31 of the last year of the deduction.

(3) The date the zone expires.

(4) The date that the designating body determines that the applicant has failed to comply with the statement of benefits under section 30 of this chapter.

As added by P.L.59-1997, SEC.1. Amended by P.L.2-1998, SEC.27.

IC 6-1.1-42-25
Appeal of grant of deduction

Sec. 25. A person who filed a written remonstrance with the designating body before the adjournment of the public hearing required in section 21 of this chapter and who is aggrieved by the final action taken may, within ten (10) days after that final action under section 24 of this chapter, initiate an appeal of that action by filing in the office of the clerk of the circuit or superior court a copy of the resolution adopted under section 9 of this chapter, any modifications made under section 24 of this chapter, and the person's remonstrance against the resolution, together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the person. The only ground of appeal that the court may hear is whether the proposed project will meet the qualifications for granting an assessed valuation deduction for the property under this chapter. The burden of proof is on the appellant.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.7.

IC 6-1.1-42-26
Hearing of appeal of grant of deduction

Sec. 26. An appeal under section 25 of this chapter shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal, and may confirm the final action of the designating body or sustain the appeal. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-27
Certified deduction application

Sec. 27. (a) A property owner who desires to obtain the deduction provided by section 24 of this chapter must file a certified deduction

application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The certified deduction application required by this section must contain the following information:

(1) The name of each owner of the property.

(2) A certificate of completion of a voluntary remediation under IC 13-25-5-16.

(3) Proof that each owner who is applying for the deduction:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

(4) Proof that the deduction was approved by the appropriate designating body.

(5) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(6) The assessed value of the improvements before remediation and redevelopment.

(7) The increase in the assessed value of improvements resulting from remediation and redevelopment.

(8) The amount of the deduction claimed for the first year of the deduction.

(d) A certified deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of property is made and each subsequent year to which the deduction applies under the resolution adopted under section 24 of this chapter.

(e) A property owner who desires to obtain the deduction provided by section 24 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which is applicable for the year filed and the subsequent years without any additional certified deduction application being filed for the amounts of the deduction which would be applicable to such years under this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) On verification of the correctness of a certified deduction application by the assessor of the township in which the property is

located, or the county assessor if there is no township assessor for the township, the county auditor shall, if the property is covered by a resolution adopted under section 24 of this chapter, make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 24 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) is a person that:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management;

(2) continues to use the property in compliance with any standards established under sections 7 and 23 of this chapter; and

(3) files an application in the manner provided by subsection (e).

(h) The township assessor, or the county assessor if there is no township assessor for the township, shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.8; P.L.90-2002, SEC.284; P.L.146-2008, SEC.303.

IC 6-1.1-42-28

Amount of deduction

Sec. 28. (a) Subject to this section and section 34 of this chapter, the amount of the deduction which the property owner is entitled to receive under this chapter for a particular year equals the product of:

(1) the increase in the assessed value resulting from the remediation and redevelopment in the zone or the location of personal property in the zone, or both; multiplied by

(2) the percentage determined under subsection (b).

(b) The percentage to be used in calculating the deduction under subsection (a) is as follows:

(1) For deductions allowed over a three (3) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	66%
3rd	33%

(2) For deductions allowed over a six (6) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	85%
3rd	66%
4th	50%

5th	34%
6th	17%

(3) For deductions allowed over a ten (10) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	95%
3rd	80%
4th	65%
5th	50%
6th	40%
7th	30%
8th	20%
9th	10%
10th	5%

(c) The amount of the deduction determined under subsection (a) shall be adjusted in accordance with this subsection in the following circumstances:

(1) If a:

(A) general reassessment of real property under IC 6-1.1-4-4; or

(B) reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

occurs within the particular period of the deduction, the amount determined under subsection (a)(1) shall be adjusted to reflect the percentage increase or decrease in assessed valuation that resulted from the reassessment.

(2) If an appeal of an assessment is approved that results in a reduction of the assessed value of the redeveloped or rehabilitated property, the amount of any deduction shall be adjusted to reflect the percentage decrease that resulted from the appeal.

(3) The amount of the deduction may not exceed the limitations imposed by the designating body under section 23 of this chapter.

(4) The amount of the deduction must be proportionally reduced by the proportionate ownership of the property by a person that:

(A) has an ownership interest in an entity that contributed; or

(B) has contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

The department of local government finance shall adopt rules under IC 4-22-2 to implement this subsection.

As added by P.L.59-1997, SEC.1. Amended by P.L.119-1999, SEC.9; P.L.90-2002, SEC.285; P.L.219-2007, SEC.86; P.L.112-2012, SEC.49.

IC 6-1.1-42-29

Requirements for property owners filing deduction application

Sec. 29. A property owner who files a deduction application under section 27 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits filed under sections 6 and 18 of this chapter.
As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-30
Substantial compliance with statement of benefits; notice; hearing; termination of deduction

Sec. 30. (a) Within forty-five (45) days after receipt of the information described in section 29 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits filed under sections 6 and 18 of this chapter.

(b) If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:

(1) An explanation of the reasons for the designating body's determination.

(2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.

If a notice mailed to a property owner concerns a statement of benefits approved for personal property under section 24 of this chapter, the designating body shall also mail a copy of the notice to the department of local government finance.

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body determines that the property owner has not made reasonable efforts to comply with the statement of benefits, the designating body shall adopt a resolution terminating the property owner's deduction under section 24 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

(d) If the designating body adopts a resolution terminating a

deduction under subsection (c), the designating body shall immediately mail a certified copy of the resolution to:

(1) the property owner;

(2) the county auditor; and

(3) the department of local government finance if the deduction was granted for personal property under section 24 of this chapter.

The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction. If the designating body's resolution is adopted after the county treasurer has mailed the statement required by IC 6-1.1-22-8.1, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

(e) A property owner whose deduction is terminated by the designating body under this section may appeal the designating body's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

(f) If an appeal under subsection (e) is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.

As added by P.L.59-1997, SEC.1. Amended by P.L.253-1997(ss), SEC.6; P.L.2-1998, SEC.28; P.L.119-1999, SEC.10; P.L.90-2002, SEC.286; P.L.3-2008, SEC.59.

IC 6-1.1-42-31

Public documents and records; confidential information

Sec. 31. (a) A statement of benefits submitted to a designating body under this chapter is a public document.

(b) The following information is a public record if filed under section 29 of this chapter:

(1) The name and address of the taxpayer.

(2) The location and description of the new manufacturing equipment for which the deduction was granted.

(3) Any information concerning the number of employees at the facility where the new manufacturing equipment is located, including estimated totals that were provided as part of the statement of benefits.

(4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.

(5) Any information concerning the amount of solid waste or

hazardous waste converted into energy or other useful products by the new manufacturing equipment.

(6) Any information concerning the assessed value of the new manufacturing equipment, including estimates that were provided as part of the statement of benefits.

(c) The following information is confidential if filed under section 29 of this chapter.

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment.

(2) Any information concerning the cost of the new manufacturing equipment.

As added by P.L.59-1997, SEC.1.

IC 6-1.1-42-32

Publication and filing of deduction information by auditor

Sec. 32. (a) Each calendar year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the approved deduction applications that were filed under this chapter during that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and granted during the year.

(2) The total amount of all deductions for real property that were in effect under section 24 of this chapter during the year.

(3) The total amount of all deductions for personal property that were in effect under section 24 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2) and (a)(3) with the department of local government finance each calendar year.

As added by P.L.59-1997, SEC.1. Amended by P.L.2-1998, SEC.29; P.L.90-2002, SEC.287.

IC 6-1.1-42-33

Designating body not granted authority to exempt person from certain requirements; waiver of noncompliance

Sec. 33. (a) This section applies only to the following requirements under this chapter:

(1) Failure to provide the completed statement of benefits form to the designating body before the hearing required under this chapter.

(2) Failure to submit the completed statement of benefits form to the designating body before the initiation of the remediation

and redevelopment or the location in the zone of the property for which the person desires to claim a deduction under this chapter.

(3) Failure to designate an area as a brownfield revitalization zone before the initiation of the rehabilitation and redevelopment for which the person desires to claim a deduction under this chapter.

(4) Failure to make the required findings of fact before designating an area as a brownfield revitalization zone or authorizing a deduction.

(b) This section does not grant a designating body the authority to exempt a person from filing a statement of benefits or exempt a designating body from making findings of fact.

(c) A designating body may by resolution waive noncompliance described under subsection (a) under the terms and conditions specified in the resolution.

As added by P.L.59-1997, SEC.1. Amended by P.L.2-1998, SEC.30.

IC 6-1.1-42-34

Correction of deduction errors

Sec. 34. If:

(1) as the result of an error the county auditor applies a deduction under this chapter for a particular assessment date in an amount that is less than the amount to which the taxpayer is entitled under this chapter; and

(2) the taxpayer is entitled to a correction of the error under this article;

the county auditor shall apply the correction of the error in the manner that corrections are applied under IC 6-1.1-12.1-15.

As added by P.L.219-2007, SEC.87.

IC 6-1.1-43

Chapter 43. Economic Development Incentive Accountability

IC 6-1.1-43-1

Application of chapter

Sec. 1. This chapter applies to the following economic development incentive programs:

(1) Grants and loans provided by the Indiana economic development corporation under IC 5-28 or the office of tourism development under IC 5-29.

(2) Incentives provided in an economic revitalization area under IC 6-1.1-12.1.

(3) Incentives provided under IC 6-3.1-13.

As added by P.L.60-1997, SEC.1. Amended by P.L.4-2005, SEC.49; P.L.229-2005, SEC.5; P.L.288-2013, SEC.26.

IC 6-1.1-43-2

"Economic development incentive" defined

Sec. 2. As used in this chapter, an "economic development incentive" refers to a tax credit, deduction, exemption, grant, or loan awarded under a program described in section 1 of this chapter.

As added by P.L.60-1997, SEC.1.

IC 6-1.1-43-3

Forfeiture of incentive

Sec. 3. If a recipient of an economic development incentive fails to comply with the wage and benefit levels that the recipient proposed or promised to obtain an economic development incentive, as determined by the entity awarding the economic development incentive, the recipient forfeits the economic development incentive as of the date of the determination.

As added by P.L.60-1997, SEC.1.

IC 6-1.1-43-4

Restoration of incentive

Sec. 4. If an economic development incentive is forfeited under section 3 of this chapter, the economic development incentive may not be restored to the recipient until the entity awarding the economic development incentive determines that the recipient is in compliance with the proposed or promised wage and benefit levels.

As added by P.L.60-1997, SEC.1.

IC 6-1.1-44

Chapter 44. Deduction for Purchases of Investment Property by Manufacturers of Recycled Components

IC 6-1.1-44-1

"Coal combustion product"

Sec. 1. As used in this chapter, "coal combustion product" means the byproducts resulting from the combustion of coal in a facility located in Indiana, including a fluidized bed boiler. The term includes boiler slag, bottom ash, fly ash, and scrubber sludge.

As added by P.L.215-2003, SEC.1.

IC 6-1.1-44-2

"Investment property"

Sec. 2. As used in this chapter, "investment property" means depreciable personal property that a manufacturer purchases and uses to manufacture recycled components.

As added by P.L.215-2003, SEC.1.

IC 6-1.1-44-3

"Manufacturer"

Sec. 3. (a) As used in this chapter, "manufacturer" means a taxpayer that:

(1) obtains and uses coal combustion products for the manufacturing of recycled components; and

(2) is at least one (1) of the following:

(A) A new business.

(B) An existing business that, during the taxable year in which the taxpayer claims a deduction under this chapter, expands the business's manufacturing process to manufacture recycled components.

(C) An existing business that:

(i) manufactures recycled components; and

(ii) during the taxable year in which the taxpayer claims a deduction under this chapter, increases purchases of coal combustion products by the amount determined in subsection (b).

(b) To be within the definition set forth in subsection (a), a taxpayer described in subsection (a)(2)(C) must increase the taxpayer's purchases of coal combustion products by the amount determined in STEP THREE of the following STEPS:

STEP ONE: Determine the amount of the taxpayer's purchases of coal combustion products for each of the three (3) taxable years immediately preceding the taxable year in which the taxpayer claims a deduction under this chapter.

STEP TWO: Determine the largest amount determined under STEP ONE.

STEP THREE: Determine the product of:

(A) the STEP TWO amount; multiplied by

(B) one-tenth (0.1).

As added by P.L.215-2003, SEC.1.

IC 6-1.1-44-4
"Recycled component"

Sec. 4. As used in this chapter, a unit of materials, goods, or other tangible personal property is a "recycled component" if coal combustion products constitute at least fifteen percent (15%) by weight of the substances of which the unit is composed. Recycled components include:

(1) aggregates;
(2) fillers;
(3) cementitious materials; or
(4) any combination of aggregates, filler, or cementitious materials;

that are used in the manufacture of masonry construction products (including portland cement based mortar), normal and lightweight concrete, blocks, bricks, pavers, pipes, prestressed concrete products, filter media, and other products approved by the center for coal technology research established under IC 21-47-4.

As added by P.L.215-2003, SEC.1. Amended by P.L.2-2007, SEC.117.

IC 6-1.1-44-5
Deduction for investment property; amount

Sec. 5. (a) A manufacturer is entitled to a deduction from the assessed valuation of the investment property in the first year that the investment property is subject to assessment under this article.

(b) The amount of a deduction described in subsection (a) equals the product of:

(1) the assessed value of the investment property; multiplied by
(2) fifteen hundredths (0.15).

As added by P.L.215-2003, SEC.1.

IC 6-1.1-44-6
Application for deduction

Sec. 6. (a) To obtain a deduction under this chapter, a manufacturer must file an application on forms prescribed by the department of local government finance with the auditor of the county in which the investment property is located. A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the investment property is installed must file the application between March 1 and May 15 of that year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the investment property is installed must file the application between March 1 and the extended due date for that year.

(b) The deduction application required by this section must contain the following information:

(1) The name of the owner of the investment property.
(2) A description of the investment property.
(3) Proof of purchase of the investment property and proof of

the date the investment property was installed.

(4) The amount of the deduction claimed.

As added by P.L.215-2003, SEC.1.

IC 6-1.1-44-7
Repealed

(Repealed by P.L.288-2013, SEC.27.)

IC 6-1.1-45

Chapter 45. Enterprise Zone Investment Deduction

IC 6-1.1-45-1

Definition applicability

Sec. 1. The definitions in this chapter apply throughout this chapter.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-2

"Base year assessed value"

Sec. 2. "Base year assessed value" equals the total assessed value of the real and personal property assessed at an enterprise zone location on the assessment date in the calendar year immediately preceding the calendar year in which a taxpayer makes a qualified investment with respect to the enterprise zone location.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-3

"Corporation"

Sec. 3. "Corporation" refers to the Indiana economic development corporation established under IC 5-28-3-1.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-4

"Enterprise zone"

Sec. 4. "Enterprise zone" refers to an enterprise zone created under IC 5-28-15.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-5

"Enterprise zone location"

Sec. 5. "Enterprise zone location" means a lot, parcel, or tract of land located in an enterprise zone.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-6

"Enterprise zone property"

Sec. 6. "Enterprise zone property" refers to real and tangible personal property that is located within an enterprise zone on an assessment date.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-7

"Qualified investment"

Sec. 7. As used in this chapter, "qualified investment" means any of the following expenditures relating to an enterprise zone location on which a taxpayer's zone business is located:

(1) The purchase of a building.

(2) The purchase of new manufacturing or production

equipment.

(3) Costs associated with the repair, rehabilitation, or modernization of an existing building and related improvements.

(4) Onsite infrastructure improvements.

(5) The construction of a new building.

(6) Costs associated with retooling existing machinery.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-8
"Zone business"

Sec. 8. "Zone business" has the meaning set forth in IC 5-28-15-3.

As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-9
Eligibility for deduction; amount; conditions; approval by fiscal body or legislative body

Sec. 9. (a) Subject to subsection (c), a taxpayer that makes a qualified investment is entitled to a deduction from the assessed value of the taxpayer's enterprise zone property located at the enterprise zone location for which the taxpayer made the qualified investment. The amount of the deduction is equal to the remainder of:

(1) the total amount of the assessed value of the taxpayer's enterprise zone property assessed at the enterprise zone location on a particular assessment date; minus

(2) the total amount of the base year assessed value for the enterprise zone location.

(b) To receive the deduction allowed under subsection (a) for a particular year, a taxpayer must comply with the conditions set forth in this chapter.

(c) A taxpayer that makes a qualified investment in an enterprise zone established under IC 5-28-15-11 that is under the jurisdiction of a military base reuse authority board created under IC 36-7-14.5 or IC 36-7-30-3 is entitled to a deduction under this section only if the deduction is approved by the legislative body of the unit that established the military base reuse authority board.

(d) Except as provided in subsection (c), a taxpayer that makes a qualified investment at an enterprise zone location that is located within an allocation area, as defined by IC 6-1.1-21.2-3, is entitled to a deduction under this section only if the deduction is approved by the:

(1) fiscal body of the unit, in the case of an allocation area established under IC 6-1.1-39;

(2) legislative body of the unit described in IC 8-22-3.5-1, in the case of an allocation area located in an airport development zone;

(3) legislative body of the unit that established the department of redevelopment, in the case of an allocation area established under IC 36-7-14;

(4) legislative body of the unit that established the

redevelopment authority, in the case of an allocation area established under IC 36-7-14.5;

(5) legislative body of the consolidated city or excluded city that approved the establishment of the allocation area, in the case of an allocation area established under IC 36-7-15.1; or

(6) legislative body of the unit that established the reuse authority, in the case of an allocation area established under IC 36-7-30.

As added by P.L.214-2005, SEC.16. Amended by P.L.154-2006, SEC.60; P.L.211-2007, SEC.5; P.L.146-2008, SEC.304.

IC 6-1.1-45-10

Deduction application; extension

Sec. 10. (a) A taxpayer that desires to claim the deduction provided by section 9 of this chapter for a particular year shall file a certified application, on forms prescribed by the department of local government finance, with the auditor of the county where the property for which the deduction is claimed was located on the assessment date. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsections (c) and (d), the application must be filed before May 15 of the assessment year to obtain the deduction.

(b) A taxpayer shall include on an application filed under this section all information that the department of local government finance and the corporation require to determine eligibility for the deduction provided under this chapter.

(c) The county auditor may grant a taxpayer an extension of not more than thirty (30) days to file the taxpayer's application if:

(1) the taxpayer submits a written application for an extension before May 15 of the assessment year; and

(2) the taxpayer is prevented from filing a timely application because of sickness, absence from the county, or any other good and sufficient reason.

(d) An urban enterprise association created under IC 5-28-15-13 may by resolution waive failure to file a:

(1) timely; or

(2) complete;

deduction application under this section. Before adopting a waiver under this section, the urban enterprise association shall conduct a public hearing on the waiver.

As added by P.L.214-2005, SEC.16. Amended by P.L.211-2007, SEC.6.

IC 6-1.1-45-11

Eligibility; appeals

Sec. 11. (a) The county auditor shall determine the eligibility of each applicant under this chapter and shall notify the applicant of the determination before August 15 of the year in which the application is made.

(b) A person may appeal the determination of the county auditor under subsection (a) by filing a complaint in the office of the clerk of the circuit or superior court not later than forty-five (45) days after the county auditor gives the person notice of the determination.
As added by P.L.214-2005, SEC.16.

IC 6-1.1-45-12
Deduction limitation; claiming deduction after expiration of zone

Sec. 12. (a) Subject to subsection (b), a taxpayer may claim a deduction under this chapter for property other than property located in a consolidated city for an assessment date that occurs after the expiration of the enterprise zone in which the enterprise zone property for which the taxpayer made the qualified investment is located.

(b) A taxpayer may not claim a deduction under this chapter for more than ten (10) years.
As added by P.L.214-2005, SEC.16. Amended by P.L.211-2007, SEC.7.

IC 6-1.1-45.5

Chapter 45.5. Brownfield Tax Reduction or Waiver

IC 6-1.1-45.5-1

Definitions

Sec. 1. As used in this chapter:

(1) "board" refers to the county property tax assessment board of appeals;

(2) "brownfield" has the meaning set forth in IC 13-11-2-19.3;

(3) "contaminant" has the meaning set forth in IC 13-11-2-42;

(4) "delinquent tax liability" means:

(A) delinquent property taxes;

(B) delinquent special assessments;

(C) interest;

(D) penalties; and

(E) costs;

assessed against a brownfield and entered on the tax duplicate that a person seeks to have waived or reduced by filing a petition under section 2 of this chapter;

(5) "department" refers to the department of local government finance, unless the specific reference is to the department of environmental management; and

(6) "fiscal body" refers to the fiscal body of:

(A) the city if the brownfield is located in a city;

(B) the town if the brownfield is located in a town; or

(C) the county if the brownfield is not located in a city or town.

As added by P.L.208-2005, SEC.1.

IC 6-1.1-45.5-2

Form and content of petition

Sec. 2. A person that owns or desires to own a brownfield may file a petition with the county auditor seeking a reduction or waiver of the delinquent tax liability. The petition must:

(1) be on a form:

(A) prescribed by the state board of accounts; and

(B) approved by the department;

(2) state:

(A) the amount of the delinquent tax liability; and

(B) when the delinquent tax liability arose;

(3) describe:

(A) the manner in which; and

(B) when;

the petitioner acquired or proposes to acquire the brownfield;

(4) describe the conditions existing on the brownfield that have prevented the sale or the transfer of title to the county;

(5) describe the plan of the petitioner for:

(A) addressing any contaminants on the brownfield; and

(B) the intended use of the brownfield;

(6) include the date by which the plan referred to in subdivision

(5) will be completed;
(7) include a statement from the department of environmental management that the property is a brownfield;
(8) state whether the petitioner:
(A) has had an ownership interest in an entity that contributed; or
(B) has contributed;
to the contaminant or contaminants on the brownfield;
(9) state whether any part of the delinquent tax liability can reasonably be collected from a person other than the petitioner;
(10) state that the petitioner seeks:
(A) a waiver of the delinquent tax liability; or
(B) a reduction of the delinquent tax liability in a specified amount; and
(11) be accompanied by a fee in an amount established by the county auditor for:
(A) completing a title search; and
(B) processing the petition.
As added by P.L.208-2005, SEC.1.

IC 6-1.1-45.5-3
County auditor action on petition; correction of defects; forwarding
Sec. 3. On receipt of a petition under section 2 of this chapter, the county auditor shall determine whether the petition is complete. If the petition is not complete, the county auditor shall return the petition to the petitioner and describe the defects in the petition. The petitioner may correct the defects and file the completed petition with the county auditor. On receipt of a complete petition, the county auditor shall forward a copy of the complete petition to:
(1) the assessor of the township in which the brownfield is located, or the county assessor if there is no township assessor for the township;
(2) the owner, if different from the petitioner;
(3) all persons that have, as of the date of the filing of the petition, a substantial property interest of public record in the brownfield;
(4) the board;
(5) the fiscal body;
(6) the department of environmental management; and
(7) the department.
As added by P.L.208-2005, SEC.1. Amended by P.L.146-2008, SEC.305.

IC 6-1.1-45.5-4
County property tax assessment board of appeals hearing; notice
Sec. 4. On receipt of a complete petition as provided under sections 2 and 3 of this chapter, the board shall at its earliest opportunity conduct a public hearing on the petition. The board shall give notice of the date, time, and place fixed for the hearing:

(1) by mail to:
(A) the petitioner;
(B) the owner, if different from the petitioner;
(C) all persons that have, as of the date the petition was filed, a substantial interest of public record in the brownfield; and
(D) the assessor of the township in which the brownfield is located, or the county assessor if there is no township assessor for the township; and
(2) under IC 5-3-1.

As added by P.L.208-2005, SEC.1. Amended by P.L.146-2008, SEC.306.

IC 6-1.1-45.5-5
County property tax assessment board of appeals recommendation; notice; forwarding

Sec. 5. (a) Subject to section 8(g) of this chapter, the board may recommend that the department grant the petition or that the department approve a reduction of the delinquent tax liability in an amount less than the amount sought by the petitioner if the board determines that:
(1) the brownfield was acquired or is proposed to be acquired as a result of:
(A) sale or abandonment in a bankruptcy proceeding;
(B) foreclosure or a sheriff's sale;
(C) receivership; or
(D) purchase from a political subdivision;
(2) the plan referred to in section 2(5) of this chapter is in the best interest of the community;
(3) the waiver or reduction of the delinquent tax liability:
(A) is in the public interest; and
(B) will facilitate development or use of the brownfield;
(4) the petitioner:
(A) has not had an ownership interest in an entity that contributed; and
(B) has not contributed;
to the contaminant or contaminants on the brownfield;
(5) the department of environmental management has determined that the property is a brownfield;
(6) if the petitioner is the owner of the brownfield, the delinquent tax liability sought to be waived or reduced arose before the petitioner's acquisition of the brownfield; and
(7) no part of the delinquent tax liability can reasonably be collected from a person other than the owner of the brownfield.

(b) After the hearing and completion of any additional investigation of the brownfield or of the petitioner that the board considers necessary, the board shall:
(1) give notice, by mail, to the parties listed in section 4(1) of this chapter of the board's recommendation that:
(A) the fiscal body deny the petition; or
(B) the department:

(i) deny the petition;
(ii) waive the delinquent tax liability, subject to section 8(g) of this chapter; or
(iii) reduce the delinquent tax liability by a specified amount, subject to section 8(g) of this chapter; and
(2) forward to the department and the fiscal body a copy of:
(A) the board's recommendation; and
(B) the documents submitted to or collected by the board at the public hearing or during the course of the board's investigation of the brownfield or of the petitioner.

As added by P.L.208-2005, SEC.1.

IC 6-1.1-45.5-6
Review and recommendation by fiscal body; notice; forwarding

Sec. 6. (a) The fiscal body shall at a regularly scheduled meeting:
(1) review the petition and all other materials submitted by the board under section 5 of this chapter; and
(2) determine whether to:
(A) deny the petition;
(B) recommend that the department waive the delinquent tax liability, subject to section 8(g) of this chapter; or
(C) recommend that the department reduce the delinquent tax liability by a specified amount, subject to section 8(g) of this chapter.

The fiscal body may recommend a reduction of the delinquent tax liability in an amount that differs from the amount of reduction recommended by the board.

(b) The fiscal body shall:
(1) publish notice under IC 5-3-1 of its consideration of the petition under this section; and
(2) forward to the department written notice of its action under this section.

As added by P.L.208-2005, SEC.1.

IC 6-1.1-45.5-7
Review and action by department of local government finance

Sec. 7. (a) On receipt by the department of a recommendation by the fiscal body to waive or reduce the delinquent tax liability, the department shall:
(1) review:
(A) the petition and all other materials submitted by the board; and
(B) the notice received from the fiscal body; and
(2) subject to subsection (b), determine whether to:
(A) deny the petition;
(B) waive the delinquent tax liability, subject to section 8(g) of this chapter; or
(C) reduce the delinquent tax liability by a specified amount, subject to section 8(g) of this chapter.

The department may reduce the delinquent tax liability in an amount

that differs from the amount of reduction recommended by the board or the fiscal body.

(b) The department's determination to waive or reduce the delinquent tax liability under subsection (a) is subject to the limitation in section 8(f)(2) of this chapter.

As added by P.L.208-2005, SEC.1.

IC 6-1.1-45.5-8

Notice of action of department of local government finance; additional review by department; proof of ownership; county auditor review of plan completion

Sec. 8. (a) The department shall give notice of its determination under section 7 of this chapter and the right to seek an appeal of the determination by mail to:

(1) the petitioner;

(2) the owner, if different from the petitioner;

(3) all persons that have, as of the date the petition was filed under section 2 of this chapter, a substantial property interest of public record in the brownfield;

(4) the assessor of the township in which the brownfield is located, or the county assessor if there is no township assessor for the township;

(5) the board;

(6) the fiscal body; and

(7) the county auditor.

(b) A person aggrieved by a determination of the department under section 7 of this chapter may obtain an additional review by the department and a public hearing by filing a petition for review with the county auditor of the county in which the brownfield is located not more than thirty (30) days after the department gives notice of the determination under subsection (a). The county auditor shall transmit the petition to the department not more than ten (10) days after the petition is filed.

(c) On receipt by the department of a petition for review, the department shall set a date, time, and place for a hearing. At least ten (10) days before the date fixed for the hearing, the department shall give notice by mail of the date, time, and place fixed for the hearing to:

(1) the person that filed the appeal;

(2) the petitioner;

(3) the owner, if different from the petitioner;

(4) all persons that have, as of the date the petition is filed, a substantial interest of public record in the brownfield;

(5) the assessor of the township in which the brownfield is located, or the county assessor if there is no township assessor for the township;

(6) the board;

(7) the fiscal body; and

(8) the county auditor.

(d) After the hearing, the department shall give the parties listed

in subsection (c) notice by mail of the final determination of the department. The department's final determination under this subsection is subject to the limitations in subsections (f)(2) and (g).

(e) The petitioner under section 2 of this chapter shall provide to the county auditor reasonable proof of ownership of the brownfield:

(1) if a petition is not filed under subsection (b), at least thirty (30) days but not more than one hundred twenty (120) days after notice is given under subsection (a); or

(2) after notice is given under subsection (d) but not more than ninety (90) days after notice is given under subsection (d).

(f) The county auditor:

(1) shall, subject to subsection (g), reduce or remove the delinquent tax liability on the tax duplicate in the amount stated in:

(A) if a petition is not filed under subsection (b), the determination of the department under section 7 of this chapter; or

(B) the final determination of the department under this section;

not more than thirty (30) days after receipt of the proof of ownership required in subsection (e); and

(2) may not reduce or remove any delinquent tax liability on the tax duplicate if the petitioner under section 2 of this chapter fails to provide proof of ownership as required in subsection (e).

(g) A reduction or removal of delinquent tax liability under subsection (f) applies until the county auditor makes a determination under this subsection. After the date referred to in section 2(6) of this chapter, the county auditor shall determine if the petitioner successfully completed the plan described in section 2(5) of this chapter by that date. If the county auditor determines that the petitioner completed the plan by that date, the reduction or removal of delinquent tax liability under subsection (f) becomes permanent. If the county auditor determines that the petitioner did not complete the plan by that date, the county auditor shall restore to the tax duplicate the delinquent taxes reduced or removed under subsection (f), along with interest in the amount that would have applied if the delinquent taxes had not been reduced or removed.

As added by P.L.208-2005, SEC.1. Amended by P.L.146-2008, SEC.307.

IC 6-1.1-45.5-9

Appeal of action of department of local government finance

Sec. 9. As provided in IC 6-1.5-5-1, a petitioner under section 2 of this chapter may initiate an appeal of the department's final determination under section 8 of this chapter by filing a petition with the county assessor not more than forty-five (45) days after the department gives the petitioner notice of the final determination.

As added by P.L.208-2005, SEC.1.

IC 6-1.5

ARTICLE 1.5. INDIANA BOARD OF TAX REVIEW

IC 6-1.5-1

Chapter 1. Definitions

IC 6-1.5-1-1

Applicability of definitions

Sec. 1. The definitions in IC 6-1.1-1 apply throughout this article.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-1-2

"Major political party"

Sec. 2. "Major political party" has the meaning set forth in IC 3-5-2-30.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-1-3

"Indiana board"

Sec. 3. "Indiana board" refers to the Indiana board of tax review established under this article.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-1-4

"Small claim"

Sec. 4. "Small claim" means an appeal:

(1) under IC 6-1.5-4-1 of a determination of assessed valuation of tangible property by:

(A) an assessing official; or

(B) the county property tax assessment board of appeals;

that does not exceed one million dollars ($1,000,000); or

(2) under IC 6-1.5-5-1 of a final determination of assessed valuation of tangible property under:

(A) IC 6-1.1-8; or

(B) IC 6-1.1-16;

by the department of local government finance that does not exceed one million dollars ($1,000,000).

As added by P.L.245-2003, SEC.21.

IC 6-1.5-2

Chapter 2. Establishment of Board

IC 6-1.5-2-1

Establishment of board; members; terms; quorum

Sec. 1. (a) A state agency to be known as the Indiana board of tax review is established. The Indiana board is composed of three (3) lay members. The governor shall appoint the members of the Indiana board. The members of the Indiana board shall elect the chairperson of the board.

(b) Two (2) members of the Indiana board must be members of one (1) major political party, and one (1) member of the board must be a member of the other major political party.

(c) Except as provided in subsections (d) and (e), the term of office of an Indiana board member is four (4) years.

(d) The initial terms of office of the Indiana board are as follows:

(1) For one (1) board member, one (1) year.

(2) For one (1) board member, two (2) years.

(3) For one (1) board member, three (3) years.

(e) An Indiana board member appointed to fill a vacancy shall serve for the unexpired term of the member's predecessor.

(f) Any two (2) members of the Indiana board constitute a quorum for the transaction of business. Action may be taken by the Indiana board only upon the vote of a majority of the whole board.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-2-2

Surety bonds

Sec. 2. (a) Before performing any official duties, each lay member of the Indiana board shall execute:

(1) a surety bond in the amount of ten thousand dollars ($10,000), with a surety approved by the governor; and

(2) an oath of office.

(b) The surety bond shall be payable to the state and shall be conditioned on the faithful discharge of the Indiana board member's duties. The executed surety bond and oath of office shall be filed in the office of the secretary of state.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-2-3

Removal of members

Sec. 3. After a hearing on the matter, the governor may remove a member of the Indiana board for incompetency, neglect, or inefficiency.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-2-4

Meetings; supplies

Sec. 4. The Indiana board shall meet in continuous session throughout each calendar year in quarters provided by the state in the

city of Indianapolis. The state shall provide the Indiana board with the supplies and printing that the board needs to transact business.
As added by P.L.198-2001, SEC.95.

IC 6-1.5-2-5
Record keeping

Sec. 5. The Indiana board shall keep a record of its proceedings and orders. The Indiana board's record is a public record. A copy of the appropriate portion of the record is sufficient evidence in all courts or proceedings to prove an action, a rule, or an order of the Indiana board if the copy is certified by a lay member of the board.
As added by P.L.198-2001, SEC.95.

IC 6-1.5-2-6
Charge by Indiana board to person who files Indiana tax court petition

Sec. 6. Notwithstanding IC 5-14-3-8, the Indiana board shall charge a person that files a petition with the Indiana tax court for review of a determination by the Indiana board the reasonable cost of preparing any necessary copies and transcripts for transmittal to the court.
As added by P.L.219-2007, SEC.88.

IC 6-1.5-3

Chapter 3. Employees

IC 6-1.5-3-1

Hiring employees; compensation

Sec. 1. (a) To properly and efficiently perform its duties, the Indiana board may, subject to the limitations in subsection (c), hire employees under this section.

(b) Each member and each employee of the Indiana board shall receive:

(1) an annual salary to be fixed in the manner prescribed in IC 4-12-1-13; and

(2) the same mileage and travel allowances that other state employees receive.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-3-2

Delegation of powers

Sec. 2. The Indiana board may delegate to an employee the board's powers with respect to any duty of the board.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-3-3

Administrative law judges

Sec. 3. (a) The Indiana board may, by written order, appoint administrative law judges.

(b) An administrative law judge may conduct any hearing that the Indiana board is required by law to hold. In the written order by which the Indiana board appoints an administrative law judge, the board shall prescribe the duties of the position. The Indiana board may have different administrative law judges simultaneously conduct numerous hearings.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-3-4

Voluntary dispute resolution

Sec. 4. (a) As used in this section, "county board" means a county property tax assessment board of appeals.

(b) Upon request by a county assessor, an employee of the Indiana board may assist taxpayers and local officials in their attempts to voluntarily resolve disputes in which:

(1) a taxpayer has filed written notice to obtain a county board's review of an action by a township or county official; and

(2) the county board has not given written notice of its decision on the issues under review.

(c) If an Indiana board employee assists in attempts to voluntarily resolve a dispute as authorized in subsection (b), the employee may not:

(1) act as an administrative law judge on; or

(2) participate in a decision relating to;

a petition for review of the county board's action on that same dispute.

(d) Notwithstanding any other law, including IC 5-14-1.5, a conference attended by an Indiana board employee acting in the capacity described in subsection (b) is not required to be open to the public. Such a conference may be open to the public only if both the taxpayer and the township or county official from whose action the taxpayer sought review agree to open the conference to the public.

(e) Notwithstanding any other law, a conference attended by an Indiana board employee acting in the capacity described in subsection (b) is not a proceeding of the Indiana board, and the Indiana board is not required to keep a record of the conference.

As added by P.L.113-2010, SEC.41.

IC 6-1.5-4

Chapter 4. Appeals of Determinations by Assessing Officials

IC 6-1.5-4-1

Appeals subject to review by Indiana board

Sec. 1. (a) The Indiana board shall conduct an impartial review of all appeals concerning:

(1) the assessed valuation of tangible property;
(2) property tax deductions;
(3) property tax exemptions; or
(4) property tax credits;

that are made from a determination by an assessing official or a county property tax assessment board of appeals to the Indiana board under any law.

(b) Appeals described in this section shall be conducted under IC 6-1.1-15.

As added by P.L.198-2001, SEC.95. Amended by P.L.256-2003, SEC.31; P.L.172-2011, SEC.49.

IC 6-1.5-4-2

Subpoenas; examination of witnesses; oaths

Sec. 2. In order to obtain information that is necessary to the Indiana board's conduct of a necessary or proper inquiry, the Indiana board or a board administrative law judge may:

(1) subpoena and examine witnesses;
(2) administer oaths; and
(3) subpoena and examine books or papers that are in the hands of any person.

As added by P.L.154-2006, SEC.61.

IC 6-1.5-5

Chapter 5. Appeals of Final Determinations by the Department of Local Government Finance

IC 6-1.5-5-1

Review of appeals; notice of final determination; procedures for initiation of appeal

Sec. 1. (a) The Indiana board shall conduct impartial review of all appeals of final determinations of the department of local government finance made under the following:

(1) IC 6-1.1-8.
(2) IC 6-1.1-14-11.
(3) IC 6-1.1-16.
(4) IC 6-1.1-26-2.
(5) IC 6-1.1-45-6.

(b) Each notice of final determination issued by the department of local government finance under a statute listed in subsection (a) must give the taxpayer notice of:

(1) the opportunity for review under this section; and
(2) the procedures the taxpayer must follow in order to obtain review under this section.

(c) Except as provided in subsection (e), in order to obtain a review by the Indiana board under this section, the taxpayer must file a petition for review with the appropriate county assessor not later than forty-five (45) days after the notice of the department of local government finance's action is given to the taxpayer.

(d) The county assessor shall transmit a petition for review under subsection (c) to the Indiana board not later than ten (10) days after the petition is filed.

(e) In order to obtain a review by the Indiana board of an appeal of a final determination of the department of local government finance under IC 6-1.1-8-30, the public utility company must follow the procedures in IC 6-1.1-8-30.

As added by P.L.198-2001, SEC.95. Amended by P.L.178-2002, SEC.40; P.L.1-2003, SEC.31; P.L.256-2003, SEC.32; P.L.245-2003, SEC.22; P.L.97-2004, SEC.24; P.L.208-2005, SEC.2.

IC 6-1.5-5-2

Hearings; resolution by Indiana board; notice; auditor duties

Sec. 2. (a) After receiving a petition for review that is filed under a statute listed in section 1(a) of this chapter, the Indiana board shall, at its earliest opportunity:

(1) conduct a hearing; or
(2) cause a hearing to be conducted by an administrative law judge.

The Indiana board may determine to conduct the hearing under subdivision (1) on its own motion or on request of a party to the appeal.

(b) In its resolution of a petition, the Indiana board may correct any errors that may have been made and adjust the assessment in

accordance with the correction.

(c) The Indiana board shall give notice of the date fixed for the hearing by mail to:

(1) the taxpayer;

(2) the department of local government finance; and

(3) the appropriate:

(A) township assessor (if any);

(B) county assessor; and

(C) county auditor.

(d) With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notices required under subsection (c) must include the following:

(1) The action of the department of local government finance with respect to the appealed items.

(2) A statement that a taxing unit receiving the notice from the county auditor under subsection (e) may:

(A) attend the hearing;

(B) offer testimony; and

(C) file an amicus curiae brief in the proceeding.

(e) If, after receiving notice of a hearing under subsection (c), the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. A taxing unit that receives a notice from the county auditor under this subsection is not a party to the appeal. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

(f) The Indiana board shall give the notices required under subsection (c) at least thirty (30) days before the day fixed for the hearing.

As added by P.L.198-2001, SEC.95. Amended by P.L.245-2003, SEC.23; P.L.199-2005, SEC.15; P.L.154-2006, SEC.62; P.L.219-2007, SEC.89; P.L.146-2008, SEC.308.

IC 6-1.5-5-3

Forms

Sec. 3. The Indiana board shall prescribe a form for use in processing petitions for review of actions by the department of local government finance. The Indiana board shall issue instructions for completion of the form.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-5-4

Additional evidence; additional hearings; determination based on stipulation; findings

Sec. 4. (a) After conducting a hearing, the Indiana board may take additional evidence or hold additional hearings.

(b) The Indiana board may base its final determination on a

stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

(1) order that a final determination under this subsection has no precedential value; or

(2) specify a limited precedential value of a final determination under this subsection.

(c) If the Indiana board does not issue its final determination under subsection (b), the Indiana board's final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must:

(1) be based exclusively on:

(A) the evidence on the record in the proceeding; and

(B) matters officially noticed in the proceeding; and

(2) be based on a preponderance of the evidence.

As added by P.L.198-2001, SEC.95. Amended by P.L.245-2003, SEC.24; P.L.219-2007, SEC.90.

IC 6-1.5-5-5

Notice by Indiana board; county auditor to give notice to taxing units

Sec. 5. After the hearing, the Indiana board shall give the petitioner, the township assessor (if any), the county assessor, the county auditor, and the department of local government finance:

(1) notice, by mail, of its final determination, findings of fact, and conclusions of law; and

(2) notice of the procedures the petitioner or the department of local government finance must follow in order to obtain court review of the final determination of the Indiana board.

The county auditor shall provide copies of the documents described in subdivisions (1) and (2) to the taxing units entitled to notice under section 2(e) of this chapter.

As added by P.L.198-2001, SEC.95. Amended by P.L.199-2005, SEC.16; P.L.154-2006, SEC.63; P.L.146-2008, SEC.309.

IC 6-1.5-5-6

Time limits for hearings and final determination; appeal options; when de novo review required

Sec. 6. (a) The Indiana board shall conduct a hearing or cause a hearing to be conducted within six (6) months after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(b) The Indiana board shall make a final determination within the later of forty-five (45) days after the hearing or the date set in an extension order issued by the Indiana board. However, the Indiana

board may not extend the final determination date by more than one hundred eighty (180) days.

(c) The failure of the Indiana board to conduct a hearing within the period prescribed in this section does not constitute notice to the person of an Indiana board final determination.

(d) If the Indiana board fails to make a final determination within the time allowed by this section after a hearing, the entity that initiated the petition may:

(1) take no action and wait for the Indiana board to make a final determination; or

(2) initiate a proceeding for judicial review by taking the action required by IC 6-1.1-15-5(b) at any time after the maximum time elapses.

(e) If:

(1) a judicial proceeding is initiated under subsection (d); and

(2) the Indiana board has not issued a determination;

the tax court shall determine the matter de novo.

As added by P.L.198-2001, SEC.95. Amended by P.L.154-2006, SEC.64.

IC 6-1.5-5-7

Judicial review of final determinations

Sec. 7. A final determination of the Indiana board is subject to judicial review under IC 6-1.1-15. The:

(1) local government official who made the original determination under judicial review; and

(2) department of local government finance;

are parties to a judicial review initiated under this section.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-5-8

Applicability of IC 6-1.1-15; substitution of department of local government finance

Sec. 8. (a) IC 6-1.1-15, as in effect before January 1, 2002, applies to an appeal of a final determination of the state board of tax commissioners issued before January 1, 2002.

(b) The department of local government finance is substituted for the state board of tax commissioners in an appeal described in subsection (a).

As added by P.L.198-2001, SEC.95.

IC 6-1.5-5-9

Subpoenas; oaths

Sec. 9. In order to obtain information that is necessary to the Indiana board's conduct of a necessary or proper inquiry, the Indiana board or a board administrative law judge may:

(1) subpoena and examine witnesses;

(2) administer oaths; and

(3) subpoena and examine books or papers that are in the hands of any person.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-5-10
Affidavits; writs directing appearance or production

Sec. 10. (a) The Indiana board may file an affidavit with a circuit court of this state if:

(1) the Indiana board has requested that a person give information or produce books or records; and

(2) the person has not complied with the request.

(b) An affidavit filed under subsection (a) must state that the person has not complied with the request of the Indiana board to give information or produce books or records.

(c) When an affidavit is filed under subsection (a), the circuit court shall issue a writ that directs the person to appear at the office of the Indiana board and to give the requested information or produce the requested books or records. The appropriate county sheriff shall serve the writ. Disobedience of the writ is punishable as a contempt of the court that issued the writ.

(d) If a writ is issued under this section, the cost incurred in filing the affidavit, in the issuance of the writ, and in the service of the writ shall be charged to the person against whom the writ is issued. If a writ is not issued, all costs shall be charged to the county in which the circuit court proceedings are held, and the board of commissioners of that county shall allow a claim for the costs.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-6

Chapter 6. Adoption of Rules

IC 6-1.5-6-1

Adoption of rules

Sec. 1. (a) Subject to subsection (b), the Indiana board shall adopt rules under IC 4-22-2 to govern the practice of representatives in proceedings before the Indiana board under this article.

(b) Except as provided in subsection (c), a rule adopted under subsection (a) may not:

(1) restrict the ability of a representative to practice before the Indiana board based on the fact that the representative is not an attorney admitted to the Indiana bar; or

(2) restrict the admissibility of the written or oral testimony of a representative or other witness before the Indiana board based upon the manner in which the representative or other witness is compensated.

(c) A rule adopted under subsection (a) may require a representative in a proceeding before the Indiana board to be an attorney admitted to the Indiana bar if the matter under consideration in the proceeding is:

(1) an exemption for which an application is required under IC 6-1.1-11;

(2) a claim that taxes are illegal as a matter of law;

(3) a claim regarding the constitutionality of an assessment; or

(4) any other matter that requires representation that involves the practice of law.

(d) This subsection applies to a petition that is filed with the Indiana board before the adoption of a rule under subsection (a) that establishes new standards for:

(1) the presentation of evidence or testimony; or

(2) the practice of representatives.

The Indiana board may not dismiss the petition solely for failure to comply with the rule adopted under subsection (a) without providing the petitioner an opportunity to present evidence, testimony, or representation in compliance with the rule.

As added by P.L.198-2001, SEC.95.

IC 6-1.5-6-2

Indiana board rules

Sec. 2. (a) The Indiana board may adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to establish procedures for the conduct of proceedings before the Indiana board under this article, including procedures for:

(1) prehearing conferences;

(2) hearings;

(3) allowing the Indiana board, upon agreement of all parties to the proceeding, to determine that a petition does not require a hearing because it presents substantially the same issue that was decided in a prior Indiana board determination;

(4) voluntary arbitration;
(5) voluntary mediation;
(6) submission of an agreed record;
(7) upon agreement of all parties to the proceedings, joinder of petitions concerning the same or similar issues; and
(8) small claims.

(b) Rules under subsection (a)(8):
(1) may include rules that:
(A) prohibit discovery;
(B) restrict the length of a hearing; and
(C) establish when a hearing is not required; and
(2) must include rules that:
(A) permit a party to a proceeding subject to the Indiana board's procedures for small claims to elect that those procedures do not apply to the proceeding; and
(B) permit an agreement among all parties to a proceeding not subject to the Indiana board's procedures for small claims that those procedures apply to the proceeding.

As added by P.L.245-2003, SEC.25.

IC 6-1.5-6-3
Rules related to voluntary dispute resolution

Sec. 3. (a) As used in this section, "county board" means a county property tax assessment board of appeals.

(b) The Indiana board may adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to establish procedures for its employees to assist taxpayers and local officials in their attempts to informally resolve disputes in which:
(1) a taxpayer has filed written notice to obtain a county board's review of an action by a township or county official; and
(2) the county board has not given written notice of its decision on the issues under review.

As added by P.L.113-2010, SEC.42.

IC 6-2

ARTICLE 2. REPEALED

(Repealed by Acts 1981, P.L.77, SEC.22.)

IC 6-2.1

ARTICLE 2.1. REPEALED

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-2.3

ARTICLE 2.3. UTILITY RECEIPTS TAX

IC 6-2.3-0.1

Chapter 0.1. Application

IC 6-2.3-0.1-1

Application of article

Sec. 1. The addition of this article by P.L.192-2002(ss) applies to taxable years beginning after December 31, 2002.

As added by P.L.220-2011, SEC.133.

IC 6-2.3-0.1-2

Adoption of initial rules and forms; procedure; initial taxable years; basic deduction; resource recovery system depreciation

Sec. 2. (a) The department shall adopt the initial rules and prescribe the initial forms to implement this article, as added by P.L.192-2002(ss), before December 1, 2002. The department of state revenue may adopt the initial rules required under this section in the same manner that emergency rules are adopted under IC 4-22-2-37.1. A rule adopted under this section expires on the earlier of the following:

(1) The date that the rule is superseded, amended, or repealed by a permanent rule adopted under IC 4-22-2 or another rule adopted under this section.

(2) July 1, 2004.

(b) The addition of this article by P.L.192-2002(ss) applies to taxable years beginning after December 31, 2002, and to short taxable years described in subsection (c).

(c) This subsection applies to a taxpayer that was doing business in Indiana during a taxable year determined under the Internal Revenue Code for federal income tax purposes that:

(1) begins before January 1, 2003; and

(2) ends after December 31, 2002.

The initial taxable year for a taxpayer under this article, as added by P.L.192-2002(ss), is a short taxable year. Notwithstanding IC 6-2.3-1-11, as added by P.L.192-2002(ss), the initial taxable year of a taxpayer under this article, as added by P.L.192-2002(ss), begins January 1, 2003. The initial taxable year of the taxpayer ends on the day immediately preceding the day that the taxpayer's next taxable year under the Internal Revenue Code begins.

(d) The one thousand dollar ($1,000) basic deduction (IC 6-2.3-5-1) and the resource recovery system depreciation deduction (IC 6-2.3-5-3) for the tax imposed under this article, as added by P.L.192-2002(ss), for the initial taxable year of the taxpayer is equal to the deduction computed under this article for the taxpayer's full taxable year under the Internal Revenue Code multiplied by a fraction. The numerator of the fraction is the number of days remaining in the taxpayer's taxable year after December 31, 2002, and the denominator is the total number of days in the taxable year

under the Internal Revenue Code for the purposes of federal income taxation.

As added by P.L.220-2011, SEC.133.

IC 6-2.3-1

Chapter 1. Definitions and Rules of Construction

IC 6-2.3-1-1

Applicability of definitions

Sec. 1. The definitions in this chapter apply throughout this article.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-2

"Affiliated group" defined

Sec. 2. "Affiliated group":

(1) for purposes of IC 6-2.3-4-6, has the meaning set forth in Section 1504 of the Internal Revenue Code; and

(2) for purposes of IC 6-2.3-5-1 and IC 6-2.3-6-5, means an affiliated group of corporations described in IC 6-2.3-6-5.

As added by P.L.192-2002(ss), SEC.47. Amended by P.L.16-2007, SEC.1.

IC 6-2.3-1-2.5

"Controlled group" defined

Sec. 2.5. "Controlled group of corporations" has the meaning set forth in Section 1563 of the Internal Revenue Code.

As added by P.L.16-2007, SEC.2.

IC 6-2.3-1-3

"Department" defined

Sec. 3. "Department" means the department of state revenue.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-3.5

"Gross consideration" defined

Sec. 3.5. "Gross consideration" refers to anything of value, including cash or other tangible or intangible property, that a taxpayer pays in consideration for the retail purchase of utility services for consumption before deduction of any costs incurred in providing the utility services.

As added by P.L.162-2006, SEC.17.

IC 6-2.3-1-4

"Gross receipts" defined

Sec. 4. "Gross receipts" refers to anything of value, including cash or other tangible or intangible property, that a taxpayer receives in consideration for the retail sale of utility services for consumption before deducting any costs incurred in providing the utility services.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-5

"Hazardous waste" defined

Sec. 5. "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a) and includes a waste determined to be a hazardous

waste under IC 13-22-2-3(b).
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-6
"Receives" defined

Sec. 6. "Receives", as applied to a taxpayer, means:

(1) the actual coming into possession of, or the crediting to, the taxpayer, of gross receipts; or

(2) the payment of a taxpayer's expenses, debts, or other obligations by a third party for the taxpayer's direct benefit.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-7
"Resource recovery system" defined

Sec. 7. "Resource recovery system" means tangible property directly used to dispose of solid waste or hazardous waste by converting it into energy or other useful products.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-8
"Solid waste" defined

Sec. 8. "Solid waste" has the meaning set forth in IC 13-11-2-205(a). The term does not include dead animals or any animal solid or semisolid wastes.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-9
"Taxable gross receipts" defined

Sec. 9. "Taxable gross receipts" means the remainder of:

(1) all gross receipts that are not exempt from tax under IC 6-2.3-4; less

(2) all deductions that are allowed under IC 6-2.3-5.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-10
"Taxable period" defined

Sec. 10. "Taxable period" means a calendar year, a fiscal year, any of the quarterly periods of either a calendar or fiscal year, or any other period specified by the department under this article.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-11
"Taxable year" defined

Sec. 11. "Taxable year" means the year that a taxpayer uses for purposes of filing the taxpayer's federal income tax return. If a taxpayer does not file a federal income tax return, the term means a calendar year.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-12

"Taxpayer" defined

Sec. 12. "Taxpayer" means any:

(1) assignee;
(2) receiver;
(3) commissioner;
(4) fiduciary;
(5) trustee;
(6) institution;
(7) consignee;
(8) firm;
(9) partnership;
(10) limited liability partnership;
(11) joint venture;
(12) pool;
(13) syndicate;
(14) bureau;
(15) association;
(16) cooperative association;
(17) corporation;
(18) political subdivision (as defined in IC 36-1-2-13) or the state of Indiana, to the extent engaged in private or proprietary activities or business;
(19) trust;
(20) limited liability company; or
(21) other group or combination acting as a unit;

regardless of whether the entity is exempt for state adjusted gross income tax purposes under IC 6-3 or for federal income tax purposes under the Internal Revenue Code.

As added by P.L.192-2002(ss), SEC.47. Amended by P.L.269-2003, SEC.1.

IC 6-2.3-1-13

"Telecommunication services" defined

Sec. 13. "Telecommunication services" means the transmission of messages or information by or using wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. The term does not include any of the following:

(1) Value added services in which computer processing applications are used to act on the form, content, code, or protocol of the information for purposes other than transmission.
(2) Value added services providing text, graphic, video, or audio program content for a purpose other than transmission.
(3) The transmission of video programming or other programming:
    (A) provided by; or
    (B) generally considered comparable to programming provided by;

a television broadcast station or a radio broadcast station, including cable TV, direct broadcast satellite (DBS/DISH), and

digital television (DTV).

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-1-14

"Utility service" defined

Sec. 14. "Utility service" means furnishing any of the following:

(1) Electrical energy.

(2) Natural gas, either mixed with another substance or pure, used for heat, light, cooling, or power.

(3) Water.

(4) Steam.

(5) Sewage (as defined in IC 13-11-2-200).

(6) Telecommunication services.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-2

Chapter 2. Imposition

IC 6-2.3-2-1

Utility receipts tax

Sec. 1. An income tax, known as the utility receipts tax, is imposed upon the receipt of:

(1) the entire taxable gross receipts of a taxpayer that is a resident or a domiciliary of Indiana; and

(2) the taxable gross receipts derived from activities or businesses or any other sources within Indiana by a taxpayer that is not a resident or a domiciliary of Indiana.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-2-2

Tax rate

Sec. 2. The receipt of taxable gross receipts from transactions is subject to a tax rate of one and four-tenths percent (1.4%).

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-2-3

Owner liability for unpaid taxes

Sec. 3. A stockholder who receives a distribution of the assets of a corporation, a joint stock association, or other organization in which the stockholder holds stock is liable, to the extent of the assets the stockholder receives from the organization, for a certain percentage of the unpaid gross receipts taxes that the organization owes after dissolution. That percentage equals the percentage of the total outstanding stock of the organization held by the stockholder before dissolution.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-2-4

Entity liability of entities exempt for federal income taxation

Sec. 4. Every S corporation or other entity exempt from federal income taxation under Section 1361 of the Internal Revenue Code, partnership, limited liability company, and limited liability partnership, is liable for the utility receipts tax. No utility receipts tax liability is imposed under this article on a partner's, member's, beneficiary's, or shareholder's distributive share of the entity's gross income.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3

Chapter 3. Classification of Receipts as Gross Receipts

IC 6-2.3-3-1

Application of chapter

Sec. 1. Determinations concerning whether the receipts of a taxpayer are taxable gross receipts shall be made in conformity with this chapter.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-2

Effect; failure to separate nontaxable items on billings

Sec. 2. Notwithstanding any other provisions of this article, receipts that would otherwise not be taxable under this article are taxable gross receipts under this article to the extent that the amount of the nontaxable receipts are not separated from the taxable receipts on the records or returns of the taxpayer.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-3

Legal settlements; lost retail sales

Sec. 3. Gross receipts include the amount of any legal settlement or judgment received to compensate the taxpayer for lost retail sales of utility services.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-4

Collection of taxes

Sec. 4. (a) Gross receipts do not include collections by a taxpayer of a tax, fee, or surcharge imposed by a state, a political subdivision, or the United States if:

(1) the tax, fee, or surcharge is imposed solely on the sale at retail of utility services;

(2) the tax, fee, or surcharge is remitted to the appropriate taxing authority; and

(3) the taxpayer collects the tax, fee, or surcharge separately as an addition to the price of the utility service sold.

(b) Gross receipts do not include collections by a taxpayer of a tax, fee, or surcharge that is:

(1) approved by the Federal Communications Commission or the utility regulatory commission; and

(2) stated separately as an addition to the price of telecommunication services sold at retail.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-5

Wholesale sales to another generator or reseller; sale to hotels, marinas, campgrounds, or mobile home parks

Sec. 5. (a) Gross receipts do not include a wholesale sale to another generator or reseller of utility services.

(b) A sale is a retail sale if the taxpayer sells utility services to a buyer that subsequently makes a sale described in IC 6-2.3-4-5.

(c) A sale of utility services is a wholesale sale if the utility services are natural gas and the buyer consumes the natural gas in the direct production of electricity to be sold by the buyer.

As added by P.L.192-2002(ss), SEC.47. Amended by P.L.131-2008, SEC.7.

IC 6-2.3-3-6

Sale to bottler of water

Sec. 6. A sale shall be treated as a retail sale if the taxpayer sells water or gas to another individual or entity that bottles and resells the water or gas.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-7

Sale to member electric cooperatives

Sec. 7. Gross receipts do not include amounts received by a corporation or a division of a corporation owned, operated, or controlled by its member electric cooperatives as payment from the electric cooperatives for electrical energy to be resold to their member-owner consumers.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-8

Sale by joint agency to municipal utility

Sec. 8. Gross receipts do not include amounts received by a joint agency established under IC 8-1-2.2 that constitutes a payment by a municipality that is a member of the joint agency for electrical energy that will be sold by the municipality to retail customers.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-9

Refundable deposits of cash

Sec. 9. Gross receipts do not include a deposit of cash made with a taxpayer to the extent that the deposit is refundable.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-10

Installation, repair, maintenance, equipment, or leasing services

Sec. 10. Gross receipts include receipts received for installation, maintenance, repair, equipment, or leasing services provided to a commercial or domestic consumer that are directly related to the delivery of utility services to the commercial or domestic consumer or the removal of equipment from a commercial or domestic consumer upon the termination of service.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-3-11

Delivery of utility services through third party; delivery from out

of state

Sec. 11. Subject to IC 6-2.3-2 and this chapter, gross receipts derived from activities or businesses or any other sources within Indiana include furnishing utility services to an end user in Indiana for consumption in Indiana, regardless of whether the:

(1) utility services are delivered through the pipelines, transmission lines, or other property of another person;

(2) taxpayer providing the utility service is or is not a resident or a domiciliary of Indiana; or

(3) transaction is subject to a deduction under IC 6-2.3-5-5.

As added by P.L.162-2006, SEC.18.

IC 6-2.3-4

Chapter 4. Exemptions

IC 6-2.3-4-1

Sales to United States government

Sec. 1. Gross receipts derived from sales to the United States government are exempt from the utility receipts tax to the extent the state is prohibited by the Constitution of the United States from taxing the gross receipts.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-4-2

Commerce between Indiana and another state or foreign government

Sec. 2. Gross receipts derived from business conducted in commerce between Indiana and either another state or territory or a foreign country are exempt from utility receipts tax to the extent the state is prohibited from taxing the gross receipts by the Constitution of the United States.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-4-3

Conservancy districts; regional water, sewage, or solid waste districts; nonprofit corporations; county solid waste management districts; county onsite waste management districts; political subdivisions

Sec. 3. Gross receipts received by:

(1) a conservancy district established under IC 14-33-20 or IC 13-3-4 (before its repeal);

(2) a regional water, sewage, or solid waste district established under IC 13-26 or IC 13-3-2 (before its repeal);

(3) a nonprofit corporation formed solely for the purpose of supplying water to the public;

(4) a county solid waste management district or a joint solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal);

(5) a nonprofit corporation formed for the purpose of providing a combination of:

(A) water; and

(B) sewer and sewage service;

to the public;

(6) a county onsite waste management district established under IC 36-11; or

(7) a political subdivision for sewer and sewage service;

are exempt from the utility receipts tax.

As added by P.L.192-2002(ss), SEC.47. Amended by P.L.275-2003, SEC.1.

IC 6-2.3-4-4

Occasional sales

Sec. 4. An occasional sale of utility services by a taxpayer that is not regularly engaged in the trade or business of selling utility services is exempt from the utility receipts tax.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-4-5
Hotels; motels; campgrounds; marinas; mobile home parks; inns; recreational vehicle parks

Sec. 5. (a) This section applies to the sale of utility services by the owner or operator of any of the following facilities:

(1) A commercial hotel, motel, inn, or campground.

(2) A park for mobile homes, manufactured homes, trailers, or recreational vehicles.

(3) Marinas.

(b) Gross receipts derived from the sale of utility services by an owner or operator described in subsection (a) to a user of a facility described in subsection (a) are exempt from the utility receipts tax.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-4-6
Sales between members of affiliated or controlled group

Sec. 6. Gross receipts derived from the sale of utility services between members of a controlled group of corporations or an affiliated group are exempt from the utility receipts tax if:

(1) the seller is the producer of the utility service and the purchaser is the end user; and

(2) the seller and the purchaser exist at the same location or adjacent locations.

As added by P.L.16-2007, SEC.3.

IC 6-2.3-4-7
Receipts related to severance damages or reassignment of areas

Sec. 7. Gross receipts are exempt from the utility receipts tax if the gross receipts are received by a taxpayer from an electricity supplier (as defined in IC 8-1-2.3-2) as payment of severance damages or other compensation resulting from a change in assigned service area boundaries under IC 8-1-2.3-6(1), IC 8-1-2.3-6(2), or IC 8-1-2.3-6(3).
As added by P.L.137-2012, SEC.45.

IC 6-2.3-5

Chapter 5. Deductions

IC 6-2.3-5-1

Annual operating deduction

Sec. 1. (a) Each taxable year a taxpayer is entitled to deduct from the taxpayer's gross receipts an amount equal to the product of:

(1) one thousand dollars ($1,000); multiplied by

(2) a fraction.

The numerator of the fraction is the number of days in the taxpayer's taxable year for which the taxpayer is subject to the utility receipts tax, and the denominator of the fraction is the number of days in the taxpayer's taxable year.

(b) If a taxpayer files quarterly gross receipts tax returns the taxpayer may use a proportionate part of the deduction provided by subsection (a) for each return filed.

(c) A taxpayer is entitled to only one (1) deduction under this section each taxable year, regardless of the number of partners or participants in the organization.

(d) An affiliated group that files a consolidated return under IC 6-2.3-6-5 is entitled to only one (1) deduction under this section on that consolidated return.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-2

Bad debts

Sec. 2. Each taxable year, a taxpayer that reports the taxpayer's gross receipts on an accrual basis is entitled to deduct bad debts from the taxpayer's gross receipts in the same manner provided in IC 6-2.5-6-9.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-3

Resource recovery system

Sec. 3. (a) Except as provided in subsection (b), if:

(1) for federal income tax purposes a taxpayer is allowed a depreciation deduction for a particular taxable year with respect to a resource recovery system; and

(2) the resource recovery system processes solid waste or hazardous waste;

the taxpayer is entitled to a deduction from the taxpayer's gross receipts for that same taxable year. The amount of the deduction equals the total depreciation deductions that the taxpayer is allowed, with respect to the system, for that taxable year under Sections 167 and 179 of the Internal Revenue Code.

(b) A taxpayer is not entitled to the deduction provided by this section for a particular taxable year with respect to a resource recovery system that is directly used to dispose of hazardous waste if during that taxable year the taxpayer:

(1) is convicted of any criminal violation under IC 13, including

IC 13-7-13-3 (before its repeal) or IC 13-7-13-4 (before its repeal); or

(2) is subject to an order or consent decree based upon a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

As added by P.L.192-2002(ss), SEC.47. Amended by P.L.137-2007, SEC.4.

IC 6-2.3-5-4

Amount received for return of empty containers

Sec. 4. (a) Each taxable year a taxpayer is entitled to deduct from the taxpayer's gross receipts the amount paid by the taxpayer during that taxable year for the return of an empty container of the type customarily returned by the buyer of the contents for reuse as a container.

(b) If a taxpayer is required to file quarterly gross receipts tax returns, the taxpayer may claim the deduction provided by this section on those returns.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-5

Interstate mobile telecommunications

Sec. 5. A taxpayer is entitled to a deduction for gross receipts exempt from taxation under IC 6-8.1-15 and the Mobile Telecommunications Sourcing Act (4 U.S.C. 116 et seq.).

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5-6

Bottled water or gas

Sec. 6. A taxpayer is entitled to a deduction for retail sales of bottled water or gas to the extent that the purchase of the water or gas was treated as a retail transaction under IC 6-2.3-3-6.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-5.5

Chapter 5.5. Utility Services Use Tax

IC 6-2.3-5.5-1

Imposition of tax

Sec. 1. An excise tax, known as the utility services use tax, is imposed on the retail consumption of utility services in Indiana that are billed after June 30, 2006.

As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-2

Calculation of tax on gross consideration

Sec. 2. The utility services use tax is measured by the gross consideration received by the seller from the sale of the commodities or services listed in IC 6-2.3-1-14(1) through IC 6-2.3-1-14(6).

As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-3

Tax rate

Sec. 3. The utility services use tax is imposed at the same rate as the utility receipts tax under IC 6-2.3-2-2.

As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-4

Exemptions

Sec. 4. The retail consumption of utility services in Indiana is exempt from the utility services use tax if the:

(1) transaction is subject to utility receipts tax (including a public utility (as defined in IC 8-1-2-1) and the utility receipts tax is paid on the gross receipts from the utility services;

(2) gross receipts from the transaction are not taxable under IC 6-2.3-3 and the utility services are consumed for the purposes for which the gross receipts were excluded from taxation;

(3) utility services were acquired in a transaction that is wholly or partially exempt from the utility receipts tax under IC 6-2.3-4 and the utility services are consumed for the purpose for which the utility services were exempted; or

(4) utility services were acquired in a transaction that is wholly or partially subject to a deduction from the utility receipts tax under IC 6-2.3-5-6 and the utility services are consumed for the purpose for which the utility services deduction was given.

As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-5

Credits

Sec. 5. A person is entitled to a credit against the utility services use tax imposed on the retail consumption of utility services equal to the amount, if any, of utility services use tax paid to another state. Payment of a general sales tax, purchase tax, or use tax to another

state does not qualify for a credit under this section.
As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-6
Liability of user

Sec. 6. The person who consumes utility services is personally liable for the utility services use tax.
As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-7
Collection procedures

Sec. 7. The department shall establish procedures for the collection of the utility services use tax from users, including deposit and reporting requirements, deposit dates, and reporting dates. Failure to comply with the procedures is subject to the penalties in IC 6-8.1.
As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-8
Utility services sellers; voluntary registration and collection of tax

Sec. 8. Any seller of utility services may elect to register with the department to collect utility services use tax on behalf of persons liable for the utility services use tax imposed under this chapter. A seller must comply with the collection and reporting procedures specified by the department only if the seller enters into an agreement with the department under this section.
As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-9
Payment of tax

Sec. 9. (a) This subsection applies only to a person who receives utility services from a seller that enters into an agreement under section 8 of this chapter. The person liable for the utility services use tax shall pay the tax to the seller from whom the person purchased the utility services, and the seller shall collect the tax as an agent for the state, if the seller has departmental permission from the department to collect the tax.

(b) In all other cases, the person liable for the utility services use tax shall pay the utility services use tax directly to the department.
As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-10
Payment to utility services seller; required issuance of receipt

Sec. 10. When a seller collects the utility services use tax from a person, the seller shall, upon request, issue a receipt to that person for the utility services use tax collected.
As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-11
Receipt as evidence of payment

Sec. 11. If:

(1) the department assesses the utility services use tax against a person for the person's retail consumption of utility services; and

(2) the person has already paid the utility services use tax in relation to the utility services to a seller permitted to collect the utility services use tax under section 8 of this chapter;

the person may avoid paying the utility services use tax to the department if the person can produce a receipt or other written evidence showing that the person paid the utility services use tax to the seller.

As added by P.L.162-2006, SEC.19.

IC 6-2.3-5.5-12

Utility services seller; responsible office liability for payment of collected taxes to department

Sec. 12. (a) An individual who:

(1) is an employee, officer, or member of a corporation, partnership, or limited liability company that is a seller of utility services; and

(2) has a duty to remit utility services use tax to the department under an agreement entered into by the seller of utility services under section 8 of this chapter by virtue of the individual's responsibilities within the corporation, partnership, or limited liability company;

holds those taxes in trust for the state and is personally liable for the payment of those taxes, plus any penalties and interest attributable to those taxes, to the state.

(b) An individual described in subsection (a) who knowingly fails to collect or remit the specified taxes to the state commits a Level 6 felony.

As added by P.L.162-2006, SEC.19. Amended by P.L.158-2013, SEC.82.

IC 6-2.3-6
Chapter 6. Returns

IC 6-2.3-6-1
Returns; due date; estimated payments; electronic funds transfers; penalties

Sec. 1. (a) Except as provided in subsections (c) through (e), a taxpayer shall file utility receipts tax returns with, and pay the taxpayer's utility receipts tax liability to, the department by the due date of the estimated return. A taxpayer who uses a taxable year that ends on December 31 shall file the taxpayer's estimated utility receipts tax returns and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year. If a taxpayer uses a taxable year which does not end on December 31, the due dates for filing estimated utility receipts tax returns and paying the tax are on or before the twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year.

(b) With each return filed, with each payment by cashier's check, certified check, or money order delivered in person or by overnight courier, and with each electronic funds transfer made, a taxpayer shall pay to the department twenty-five percent (25%) of the estimated or the exact amount of utility receipts tax that is due.

(c) If a taxpayer's estimated annual utility receipts tax liability does not exceed two thousand five hundred dollars ($2,500) the taxpayer is not required to file an estimated utility receipts tax return.

(d) If the department determines that a taxpayer's:

(1) estimated quarterly utility receipts tax liability for the current year; or

(2) average estimated quarterly utility receipts tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the taxpayer shall pay the estimated utility receipts taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(e) If a taxpayer's utility receipts tax payment is made by electronic funds transfer, the taxpayer is not required to file an estimated utility receipts tax return.

(f) The penalty prescribed by IC 6-8.1-10-2.1(b) shall be assessed by the department on taxpayers failing to make payments as required in subsection (b) or (d). However, a penalty may not be assessed as to any estimated payments of utility receipts tax that equal or exceed:

(1) twenty percent (20%) of the final tax liability for the taxable year; or

(2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

In addition, the penalty as to any underpayment of tax on an estimated return shall be assessed only on the difference between the actual amount paid by the taxpayer on the estimated return and

twenty-five percent (25%) of the taxpayers's final utility receipts tax liability for the taxable year.
As added by P.L.192-2002(ss), SEC.47. Amended by P.L.269-2003, SEC.2; P.L.211-2007, SEC.8.

IC 6-2.3-6-2
Final return; due date; statements of no tax due

Sec. 2. (a) Every taxpayer who receives more than one thousand dollars ($1,000) in gross receipts during a particular taxable year shall file with the department an annual utility receipts tax return. At the time of filing an annual return, a taxpayer shall pay to the department an amount equal to the remainder of:

(1) the total utility receipts tax liability incurred by the taxpayer for that particular taxable year; minus

(2) the total amount of utility receipts taxes that was previously paid to the department for any quarter of that same taxable year.

(b) Except as provided in subsection (d), a taxpayer who uses a taxable year that ends on December 31 shall file the taxpayer's annual utility receipts tax return and pay the tax, if any, for that taxable year on or before April 15 of the immediately succeeding tax year.

(c) If a taxpayer uses a taxable year that does not end on December 31, the department shall prescribe the due dates for filing annual utility receipts tax returns and paying the tax.

(d) Any taxpayer who does not file an annual utility receipts tax return for a taxable year may be required to execute and file with the department a sworn statement that the taxpayer did not receive more than one thousand dollars ($1,000) of taxable gross receipts during that taxable year.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-6-3
Returns; limitation on required information; names on stock or securities that are a source of gross receipts

Sec. 3. Any forms prescribed by the department under IC 6-8.1-3-4 that concern the collection of the utility receipts tax may not require a taxpayer to show the corporate name or title of any stock or the name of the obligor of any other security from which the taxpayer derives gross receipts.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-6-4
Returns; required information; allocation of gross receipts among multiple locations

Sec. 4. The department may require a taxpayer who receives gross receipts at two (2) or more business locations within the state to file with each quarterly and annual utility receipts tax return an information return that shows the allocation of gross receipts to each business location at which the gross receipts were received.
As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-6-5

Affiliated groups; consolidated utility receipts tax returns; election

Sec. 5. (a) Corporations are affiliated if at least eighty percent (80%) of the voting stock of one (1) corporation (exclusive of directors' qualifying shares) is owned by the other corporation. Every corporation affiliated with another corporation is affiliated with every corporation that is affiliated with such other corporation. All corporations so affiliated constitute an affiliated group.

(b) Corporate members of an affiliated group that are incorporated in Indiana or are authorized to do business in Indiana may file a consolidated utility receipts tax return.

(c) Each corporate member of an affiliated group that files a consolidated utility receipts tax return is jointly and severally liable for the utility receipts tax imposed on the affiliated group and on each member of that group.

(d) An affiliated group must elect at the time it files its first annual return whether or not it will file a consolidated utility receipts tax return or whether each corporate member of the group will file a separate utility receipts tax return. After the taxpayer's election is made, the group must file utility receipts tax returns in the same manner as the group's first annual return is filed, unless the department allows the group to change the manner in which it files utility receipts tax returns.

(e) The first consolidated utility receipts tax return filed by an affiliated group may be filed by any member of the group incorporated in Indiana or authorized to do business in Indiana. Subsequent consolidated returns shall be filed by the member who filed the first consolidated return for the group, unless the department allows another member to file the group's consolidated returns.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-6-6

Returns; fiduciaries; receiver; trustee in dissoluton; trustee in bankruptcy; assignee; liability of distributee for unpaid taxes; nonresident returns

Sec. 6. (a) A receiver, a trustee in dissolution, a trustee in bankruptcy, or an assignee operating the property or business of a taxpayer shall file a utility receipts tax return for that taxpayer and pay any tax due on gross receipts reported in the return in the same manner that the taxpayer would be required to file a return and pay the tax under this chapter if the taxpayer had control of the business or property.

(b) Any fiduciary filing a return under subsection (a) shall report all previously unreported income derived from property or business controlled by the fiduciary.

(c) The utility receipts tax liability imposed upon any property held by a fiduciary described in subsection (a) is a lien upon the property from which the gross receipts were derived.

(d) If any utility receipts tax is due and unpaid after a fiduciary described in subsection (a) is discharged, each distributee is liable for

the utility receipts tax due in an amount equal to the quotient of:

(1) the distributee's share of the business or property sold; divided by

(2) the total distribution made by the fiduciary.

(e) Any resident of Indiana who is a fiduciary described in subsection (a), and who receives gross receipts for a distributee who is not an Indiana resident, must file a utility receipts tax return and pay the utility receipts tax due with that return before making a distribution to the distributee.

(f) Any taxpayer who is a resident of Indiana, and who receives gross receipts from a fiduciary described in subsection (a) who is not a resident of Indiana, shall file a return reporting the receipt of such gross receipts and shall pay any utility receipts tax due on such gross receipts, as though the gross receipts had been received directly by the taxpayer, unless the nonresident fiduciary has already paid the tax due on the gross receipts.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-6-7

Allowable methods of accounting

Sec. 7. A taxpayer shall use either the cash or accrual method of accounting for purposes of determining the taxpayer's utility receipts tax liability. If a taxpayer uses either the cash or accrual method of accounting for federal tax purposes, the taxpayer must also use that same method in determining the taxpayer's utility receipts tax liability. If a taxpayer does not use either the cash or accrual method of accounting for federal tax purposes, the taxpayer shall use the cash method in determining the taxpayer's utility receipts tax liability.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-7

Chapter 7. Penalties

IC 6-2.3-7-1

Failure to keep records; failure to permit examination of records

Sec. 1. (a) A taxpayer who fails to keep records of the taxpayer's gross receipts and any other records that may be necessary to determine the amount of utility receipts tax the taxpayer owes for a period of three (3) years, as required by IC 6-8.1-5-4, commits a Class C infraction.

(b) A taxpayer who fails to permit records described in subsection (a) to be examined at any time by the department in accordance with IC 6-8.1-5-4 commits a Class C infraction.

(c) A taxpayer who knowingly fails to produce or permit the department to examine records described in subsection (a) or (b) commits a Class B misdemeanor.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-7-2

Fraud; tax evasion; false entry; duplicate records

Sec. 2. (a) A taxpayer or any officer, employee, or partner of a taxpayer who makes a false entry in the taxpayer's records with the intent to defraud the state or evade payment of the utility receipts tax commits a Level 6 felony.

(b) A taxpayer or any officer, employee, or partner of a taxpayer who keeps more than one (1) set of records for the taxpayer with the intent to defraud the state or evade the payment of the utility receipts tax commits a Level 6 felony.

As added by P.L.192-2002(ss), SEC.47. Amended by P.L.158-2013, SEC.83.

IC 6-2.3-7-3

Fraud; failure to file return; false return

Sec. 3. A person who fails to file a return required by this article or who enters false information in such a return with the intent to defraud the state commits a Class B misdemeanor.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-7-4

Failure to permit inspection or appraisal of property; failure to offer testimony; failure to produce record

Sec. 4. A taxpayer who knowingly fails to permit the department to inspect or appraise any property, or who knowingly fails to offer testimony or to produce any record as required in this article, commits a Class B misdemeanor.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-8

Chapter 8. Miscellaneous

IC 6-2.3-8-1

Deposit; state general fund

Sec. 1. On or before the fifth day of each month, the total amount of utility receipts tax revenues received by the department in the immediately preceding month shall be deposited in the state general fund.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-8-2

Tax supplemental to other taxes

Sec. 2. Except as otherwise specifically provided in this article, the tax imposed by this article is in addition to all other licenses and taxes imposed by law as a condition precedent to engaging in any business, privilege, occupation, or activity that is taxable under such other license or tax.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.3-8-3

Limitation on courts; approval of final report of receiver, trustee, or commissioner; failure to pay tax; preferred claim

Sec. 3. (a) No court may allow or approve any final report or account of a receiver, trustee in dissolution, trustee in bankruptcy, commissioner appointed for the sale of real estate, or any other officer acting under the authority and supervision of a court, unless the account or final report shows, and the court finds, that all utility receipts tax due has been paid, and that all utility receipts tax that may become due is secured by bond, deposit, or otherwise.

(b) A fiduciary described in subsection (a) shall provide proof to a court that all utility receipts tax has been paid, and that any required security has been provided. The fiduciary shall request the department to issue a certificate of clearance certifying that all utility receipts tax which is due and payable has been paid and that any required security has been provided. The certificate shall be issued by the department within thirty (30) days after request. When issued, the certificate is conclusive proof that no utility receipts tax is due and that any required security has been provided.

(c) If the department fails to issue a certificate of clearance under subsection (b) within thirty (30) days after request, a fiduciary may provide evidence to a court that demonstrates that no utility receipts tax is due and that any required security has been provided. Upon approval by the court, such evidence is conclusive proof of payment of the tax imposed by this article.

(d) Any utility receipts tax liability owed by a fiduciary is a preferred claim and has priority over all other claims except claims for judicial costs and costs of administration.

As added by P.L.192-2002(ss), SEC.47.

IC 6-2.5

ARTICLE 2.5. STATE GROSS RETAIL AND USE TAXES

IC 6-2.5-1

Chapter 1. Definitions

IC 6-2.5-1-1

"Unitary transaction"

Sec. 1. (a) Except as provided in subsection (b), "unitary transaction" includes all items of personal property and services which are furnished under a single order or agreement and for which a total combined charge or price is calculated.

(b) "Unitary transaction" as it applies to the furnishing of public utility commodities or services means the public utility commodities and services which are invoiced in a single bill or statement for payment by the consumer.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-1-2

"Retail transaction" and "retail unitary transaction"

Sec. 2. (a) "Retail transaction" means a transaction of a retail merchant that constitutes selling at retail as described in IC 6-2.5-4-1, that constitutes making a wholesale sale as described in IC 6-2.5-4-2, or that is described in any other section of IC 6-2.5-4.

(b) "Retail unitary transaction" means a unitary transaction that is also a retail transaction.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-1-3

"Person"

Sec. 3. "Person" includes an individual, assignee, receiver, commissioner, fiduciary, trustee, executor, administrator, institution, national bank, bank, consignee, firm, partnership, joint venture, pool, syndicate, bureau, association, cooperative association, society, club, fraternity, sorority, lodge, corporation, limited liability company, Indiana political subdivision engaged in private or proprietary activities, estate, trust, or any group or combination acting as a unit.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.8-1993, SEC.82.

IC 6-2.5-1-4

"Department"

Sec. 4. "Department" means the Indiana department of state revenue.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-1-5

"Gross retail income"

Sec. 5. (a) Except as provided in subsection (b), "gross retail

income" means the total amount of consideration, including cash, credit, property, and services, for which tangible personal property is sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for:

(1) the seller's cost of the property sold;

(2) the cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

(3) charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;

(4) delivery charges; or

(5) consideration received by the seller from a third party if:

(A) the seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;

(B) the seller has an obligation to pass the price reduction or discount through to the purchaser;

(C) the amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and

(D) the price reduction or discount is identified as a third party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate, or other documentation presented by the purchaser.

For purposes of subdivision (4), delivery charges are charges by the seller for preparation and delivery of the property to a location designated by the purchaser of property, including but not limited to transportation, shipping, postage charges that are not separately stated on the invoice, bill of sale, or similar document, handling, crating, and packing. Delivery charges do not include postage charges that are separately stated on the invoice, bill of sale, or similar document.

(b) "Gross retail income" does not include that part of the gross receipts attributable to:

(1) the value of any tangible personal property received in a like kind exchange in the retail transaction, if the value of the property given in exchange is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(2) the receipts received in a retail transaction which constitute interest, finance charges, or insurance premiums on either a promissory note or an installment sales contract;

(3) discounts, including cash, terms, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;

(4) interest, financing, and carrying charges from credit extended on the sale of personal property if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(5) any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(6) installation charges that are separately stated on the invoice, bill of sale, or similar document given to the purchaser;
(7) telecommunications nonrecurring charges; or
(8) postage charges that are separately stated on the invoice, bill of sale, or similar document.

(c) A public utility's or a power subsidiary's gross retail income includes all gross retail income received by the public utility or power subsidiary, including any minimum charge, flat charge, membership fee, or any other form of charge or billing.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.257-2003, SEC.1; P.L.81-2004, SEC.2; P.L.182-2009(ss), SEC.174; P.L.113-2010, SEC.43; P.L.265-2013, SEC.1.

IC 6-2.5-1-6
"Like kind exchange"

Sec. 6. (a) "Like kind exchange" means the reciprocal exchange of personal property between two (2) persons, when:
(1) the property exchanged is of the same kind or character, regardless of grade or quality; and
(2) the persons exchanging the property both own the property prior to the exchange.

(b) A "like kind exchange" may be a part of a transaction involving additional consideration other than the exchanged property.

(c) Notwithstanding subsection (a), a "like kind exchange" does not occur when:
(1) the transaction involves more than two (2) persons; or
(2) one (1) party to the transaction, through agreement or negotiation with the second party, acquires personal property for the primary purpose of exchanging that property for like kind property held by the second party.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-1-7
Repealed

(Repealed by P.L.2-1987, SEC.53.)

IC 6-2.5-1-7.5
"Postage charges"

Sec. 7.5. "Postage charges", for purposes of this article, mean amounts that:
(1) are for the purchase price of stamps or similar charges for mail or parcel delivery through the United States mail, without any additional amounts added to the actual price; and
(2) are incurred by a seller on behalf of its customers or purchasers.

Postage charges do not include any charges for mail or parcel delivery by any means other than through United States mail.

As added by P.L.265-2013, SEC.2.

IC 6-2.5-1-8

"Retail merchant"

Sec. 8. "Retail merchant" means a person who is described as a retail merchant in IC 6-2.5-4 or who is required to hold a retail merchant's certificate under IC 6-2.5-8.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-1-9

"Tax year" or "taxable year"

Sec. 9. "Tax year" or "taxable year" means either the calendar year or the taxpayer's fiscal year if and when permission is obtained from the department to use the taxpayer's fiscal year in lieu of the calendar year.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-1-10

"Commercial printing"

Sec. 10. "Commercial printing" means a process or an activity, or both, that is related to the production of printed materials for others, including the following:

(1) Receiving, processing, moving, storing, and transmitting, either physically or electronically, copy elements and images to be reproduced.

(2) Plate making or cylinder making.

(3) Applying ink by one (1) or more processes, such as printing by letter press, lithography, gravure, screen, or digital means.

(4) Casemaking and binding.

(5) Assembling, packaging, and distributing printed materials.

The term does not include the business of photocopying.

As added by P.L.192-2002(ss), SEC.48.

IC 6-2.5-1-10.7

"Advertising and promotional direct mail"

Sec. 10.7. "Advertising and promotional direct mail" means printed material that is direct mail, the primary purpose of which is to attract public attention to a product, person, business, or organization, or to attempt to sell, popularize, or secure financial support for a product, person, business, or organization. As used in this section, "product" means tangible personal property, a product transferred electronically, or a service.

As added by P.L.265-2013, SEC.3.

IC 6-2.5-1-11

"Alcoholic beverages"

Sec. 11. "Alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one percent (0.5%) or more of alcohol by volume.

As added by P.L.257-2003, SEC.2.

IC 6-2.5-1-11.3

"Ancillary services"

Sec. 11.3. "Ancillary services" means services that are associated with or incidental to the provision of telecommunication services, including the following:

(1) Detailed telecommunications billing.
(2) Directory assistance.
(3) Vertical services.
(4) Voice mail services.

As added by P.L.145-2007, SEC.1.

IC 6-2.5-1-11.5
"Bundled transaction"

Sec. 11.5. (a) This section applies to retail transactions occurring after December 31, 2007.

(b) "Bundled transaction" means a retail sale of two (2) or more products, except real property and services to real property, that are:

(1) distinct;
(2) identifiable; and
(3) sold for one (1) nonitemized price.

(c) The term does not include a retail sale in which the sales price of a product varies, or is negotiable, based on other products that the purchaser selects for inclusion in the transaction.

(d) The term does not include a retail sale that:

(1) is comprised of:
  (A) a service that is the true object of the transaction; and
  (B) tangible personal property that:
    (i) is essential to the use of the service; and
    (ii) is provided exclusively in connection with the service;
(2) includes both taxable and nontaxable products in which:
  (A) the seller's purchase price; or
  (B) the sales price;
of the taxable products does not exceed ten percent (10%) of the total purchase price or the total sales price of the bundled products; or
(3) includes both exempt tangible personal property and taxable tangible personal property:
  (A) any of which is classified as:
    (i) food and food ingredients;
    (ii) drugs;
    (iii) durable medical equipment;
    (iv) mobility enhancing equipment;
    (v) over-the-counter drugs;
    (vi) prosthetic devices; or
    (vii) medical supplies; and
  (B) for which:
    (i) the seller's purchase price; or
    (ii) the sales price;
  of the taxable tangible personal property is fifty percent (50%) or less of the total purchase price or the total sales price of the bundled tangible personal property.

The determination under clause (B) must be made on the basis

of either individual item purchase prices or individual item sale prices.

As added by P.L.153-2006, SEC.1.

IC 6-2.5-1-12
"Candy"

Sec. 12. "Candy" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, or other ingredients or flavorings in the form of bars, drops, or pieces. The term does not include any preparation:

(1) containing flour; or

(2) requiring refrigeration.

As added by P.L.257-2003, SEC.3.

IC 6-2.5-1-13
"Computer"

Sec. 13. "Computer" means an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions.

As added by P.L.257-2003, SEC.4.

IC 6-2.5-1-14
"Computer software"

Sec. 14. "Computer software" means a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task.

As added by P.L.257-2003, SEC.5.

IC 6-2.5-1-14.5
"Computer software"

Sec. 14.5. "Computer software maintenance contract" means a contract that obligates a person to provide a customer with future updates or upgrades of computer software.

As added by P.L.113-2010, SEC.44.

IC 6-2.5-1-15
"Delivered electronically"

Sec. 15. "Delivered electronically" means delivered to the purchaser by means other than tangible storage media.

As added by P.L.257-2003, SEC.6.

IC 6-2.5-1-16
"Dietary supplement"

Sec. 16. "Dietary supplement" means any product, other than tobacco, that:

(1) is intended to supplement the diet;

(2) contains one (1) or more of the following dietary ingredients:

(A) a vitamin;

(B) a mineral;

(C) an herb or other botanical;
(D) an amino acid;
(E) a dietary substance for use by humans to supplement the diet by increasing the total dietary intake; or
(F) a concentrate, a metabolite, a constituent, an extract, or a combination of any ingredient described in this subdivision;
(3) is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or, if not intended for ingestion in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and
(4) is required to be labeled as a dietary supplement, identifiable by the "Supplemental Facts" box found on the label and as required under 21 CFR 101.36.

As added by P.L.257-2003, SEC.7.

IC 6-2.5-1-16.2
"Digital audio works"

Sec. 16.2. (a) "Digital audio works" means works that result from the fixation of a series of musical, spoken, or other sounds, including ringtones.

(b) As used in this section, "ringtones" means digitized sound files that:
(1) are downloaded onto a device; and
(2) may be used to alert the customer with respect to a communication.

As added by P.L.19-2008, SEC.1.

IC 6-2.5-1-16.3
"Digital audiovisual works"

Sec. 16.3. "Digital audiovisual works" means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

As added by P.L.19-2008, SEC.2.

IC 6-2.5-1-16.4
"Digital books"

Sec. 16.4. "Digital books" means works that are generally recognized in the ordinary and usual sense as books.

As added by P.L.19-2008, SEC.3.

IC 6-2.5-1-16.5
"Direct mail"

Sec. 16.5. (a) "Direct mail" means printed material delivered by United States mail or another delivery service to:
(1) a mass audience; or
(2) addresses on a mailing list:
(A) provided by a purchaser; or
(B) specified at the direction of a purchaser;

if the cost of the item is not billed directly to the recipient.

(b) The term includes tangible personal property that the purchaser supplies directly or indirectly to the direct mail seller for inclusion in the package containing the printed material.

(c) The term does not include multiple items of printed material delivered to a single address.

As added by P.L.153-2006, SEC.2.

IC 6-2.5-1-17
"Drug"

Sec. 17. "Drug" means a compound, substance, or preparation and any component of a compound, substance, or preparation that is:

(1) recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, and supplement to any of them;

(2) intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or

(3) intended to affect the structure or any function of the body.

The term does not include food and food ingredients, dietary supplements, or alcoholic beverages.

As added by P.L.257-2003, SEC.8.

IC 6-2.5-1-18
"Durable medical equipment"

Sec. 18. (a) "Durable medical equipment" means equipment, including repair and replacement parts for the equipment, that:

(1) can withstand repeated use;

(2) is primarily and customarily used to serve a medical purpose;

(3) generally is not useful to a person in the absence of illness or injury; and

(4) is not worn in or on the body.

The term does not include mobility enhancing equipment.

(b) As used in this section, "repair and replacement parts" includes all components or attachments used in conjunction with durable medical equipment.

As added by P.L.257-2003, SEC.9. Amended by P.L.19-2008, SEC.4.

IC 6-2.5-1-19
"Electronic"

Sec. 19. "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

As added by P.L.257-2003, SEC.10.

IC 6-2.5-1-20
"Food and food ingredients"

Sec. 20. "Food and food ingredients" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and that are consumed for their taste or nutritional value. The term does not include

alcoholic beverages, candy, dietary supplements, tobacco products, or soft drinks.
As added by P.L.257-2003, SEC.11. Amended by P.L.153-2006, SEC.3.

IC 6-2.5-1-20.3
"Intrastate telecommunications service"

Sec. 20.3. "Intrastate telecommunications service" means a telecommunications service that originates in a particular state, territory, or possession of the United States and terminates in that same state, territory, or possession.
As added by P.L.145-2007, SEC.2.

IC 6-2.5-1-21
"Lease" or "rental"

Sec. 21. (a) "Lease" or "rental" means any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration and may include future options to purchase or extend. "Lease" or "rental" does not include:

(1) a transfer of possession or control of property under a security agreement or deferred payment plan that requires the transfer of title upon completion of the required payments;

(2) a transfer of possession or control of property under an agreement that requires the transfer of title upon completion of required payments and payment of an option price that does not exceed the greater of one hundred dollars ($100) or one percent (1%) of the total required payments; or

(3) providing tangible personal property along with an operator for a fixed or indeterminate period, if:

(A) the operator is necessary for the equipment to perform as designed; and

(B) the operator does more than maintain, inspect, or set up the tangible personal property.

(b) "Lease" or "rental" includes agreements covering motor vehicles and trailers in which the amount of consideration may be increased or decreased by reference to the amount realized upon sale or disposition of the property as defined in 26 U.S.C. 7701(h)(1).

(c) The definition of "lease" or "rental" set forth in this section applies throughout this article, regardless of whether a transaction is characterized as a lease or rental under generally accepted accounting principles, the Internal Revenue Code, the uniform commercial code (IC 26-1), or other provisions of federal, state, or local law.

(d) This section applies only to leases or rentals entered into after June 30, 2003, and has no retroactive effect on leases or rentals entered into before July 1, 2003.
As added by P.L.257-2003, SEC.12. Amended by P.L.97-2004, SEC.25.

IC 6-2.5-1-22
"Mobility enhancing equipment"

Sec. 22. "Mobility enhancing equipment" means equipment, including repair and replacement parts for the equipment, that:

(1) is primarily and customarily used to provide or increase the ability to move from one (1) place to another and is appropriate for use either in a home or a motor vehicle;

(2) is not generally used by persons with normal mobility; and

(3) does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.

The term does not include durable medical equipment.

As added by P.L.257-2003, SEC.13.

IC 6-2.5-1-22.2

"Other direct mail"

Sec. 22.2. "Other direct mail" means any direct mail that is not advertising and promotional direct mail, regardless of whether advertising and promotional direct mail is included in the same mailing. The term includes the following:

(1) Transactional direct mail that contains personal information specific to the addressee, including invoices, bills, statements of account, or payroll advices.

(2) Any legally required mailings, including privacy notices, tax reports, and stockholder reports.

(3) Other nonpromotional direct mail delivered to existing or former shareholders, customers, employees, or agents, including newsletters and informational pieces.

The term does not include the development of billing information or the provision of any data processing service that is more than incidental.

As added by P.L.265-2013, SEC.4.

IC 6-2.5-1-22.3

"Prepaid calling service"

Sec. 22.3. "Prepaid calling service" has the meaning set forth in IC 6-2.5-12-11.

As added by P.L.145-2007, SEC.3.

IC 6-2.5-1-22.4

"Prepaid wireless calling service"

Sec. 22.4. "Prepaid wireless calling service" means a telecommunications service that:

(1) provides the right to use mobile wireless service as well as other nontelecommunications services, including:

(A) the download of digital products delivered electronically; and

(B) content and ancillary services;

(2) must be paid for in advance; and

(3) is sold in predetermined units or dollars of which the number declines with use in a known amount.

As added by P.L.145-2007, SEC.4.

IC 6-2.5-1-23
"Prescription"

Sec. 23. "Prescription" means an order, a formula, or a recipe issued in any form of oral, written, electronic, or other means of transmission by a licensed practitioner authorized by Indiana law.

As added by P.L.257-2003, SEC.14.

IC 6-2.5-1-24
"Prewritten computer software"

Sec. 24. Subject to the following provisions, "prewritten computer software" means computer software, including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser:

(1) The combining of two (2) or more prewritten computer software programs or prewritten parts of the programs does not cause the combination to be other than prewritten computer software.

(2) Prewritten computer software includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the purchaser.

(3) If a person modifies or enhances computer software of which the person is not the author or creator, the person is considered to be the author or creator only of the person's modifications or enhancements.

(4) Prewritten computer software or a prewritten part of the software that is modified or enhanced to any degree, where the modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software. However, where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for such a modification or enhancement, the modification or enhancement is not prewritten computer software.

As added by P.L.257-2003, SEC.15.

IC 6-2.5-1-25
"Prosthetic device"

Sec. 25. "Prosthetic device" means a replacement, corrective, or supportive device, including repair and replacement parts for the device, worn on or in the body to:

(1) artificially replace a missing part of the body;

(2) prevent or correct physical deformity or malfunction; or

(3) support a weak or deformed part of the body.

As added by P.L.257-2003, SEC.16.

IC 6-2.5-1-26
"Soft drinks"

Sec. 26. "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. The term does not include beverages

that contain milk or milk products, soy, rice, or similar milk substitutes, or greater than fifty percent (50%) of vegetable or fruit juice by volume.
As added by P.L.257-2003, SEC.17.

IC 6-2.5-1-26.5
"Specified digital products"
Sec. 26.5. "Specified digital products" means electronically transferred:
(1) digital audio works;
(2) digital audiovisual works; or
(3) digital books.
As added by P.L.19-2008, SEC.5.

IC 6-2.5-1-27
"Tangible personal property"
Sec. 27. "Tangible personal property" means personal property that:
(1) can be seen, weighed, measured, felt, or touched; or
(2) is in any other manner perceptible to the senses.
The term includes electricity, water, gas, steam, and prewritten computer software.
As added by P.L.257-2003, SEC.18.

IC 6-2.5-1-27.2
"Telecommunications nonrecurring charges"
Sec. 27.2. "Telecommunications nonrecurring charges" means an amount billed for installation, connection, change, or initiation of a telecommunications service received by a customer.
As added by P.L.113-2010, SEC.45.

IC 6-2.5-1-27.5
"Telecommunication services"
Sec. 27.5. (a) "Telecommunication services" means electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points.
(b) The term includes a transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing regardless of whether the service:
(1) is referred to as voice over Internet protocol services; or
(2) is classified by the Federal Communications Commission as enhanced or value added.
(c) The term does not include the following:
(1) Data processing and information services that allow data to be generated, acquired, stored, processed, or retrieved and delivered by an electronic transmission to a purchaser whose primary purpose for the underlying transaction is the processed data or information.

(2) Installation or maintenance of wiring or equipment on a customer's premises.
(3) Tangible personal property.
(4) Advertising, including but not limited to directory advertising.
(5) Billing and collection services provided to third parties.
(6) Internet access service.
(7) Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance, and routing of the services by the programming service provider. Radio and television audio and video programming services include cable service as defined in 47 U.S.C. 522(6) and audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 CFR 20.3.
(8) Ancillary services.
(9) Digital products delivered electronically, including the following:
(A) Software.
(B) Music.
(C) Video.
(D) Reading materials.
(E) Ring tones.

As added by P.L.145-2007, SEC.5.

IC 6-2.5-1-28
"Tobacco"

Sec. 28. "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.

As added by P.L.195-2005, SEC.1.

IC 6-2.5-1-28.5
"Transferred electronically"

Sec. 28.5. "Transferred electronically" means obtained by a purchaser by means other than tangible storage media.

As added by P.L.113-2010, SEC.46.

IC 6-2.5-1-29
"Value added nonvoice data service"

Sec. 29. "Value added nonvoice data service" means a service that otherwise meets the definition of telecommunications services in which computer processing applications are used to act on the form, content, code, or protocol of the information or data primarily for a purpose other than transmission, conveyance, or routing.

As added by P.L.145-2007, SEC.6.

IC 6-2.5-2

Chapter 2. State Gross Retail Tax

IC 6-2.5-2-1

Imposition; liability; payment; collection

Sec. 1. (a) An excise tax, known as the state gross retail tax, is imposed on retail transactions made in Indiana.

(b) The person who acquires property in a retail transaction is liable for the tax on the transaction and, except as otherwise provided in this chapter, shall pay the tax to the retail merchant as a separate added amount to the consideration in the transaction. The retail merchant shall collect the tax as agent for the state.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-2-2

Tax rate; rounding rules

Sec. 2. (a) The state gross retail tax is measured by the gross retail income received by a retail merchant in a retail unitary transaction and is imposed at seven percent (7%) of that gross retail income.

(b) If the tax computed under subsection (a) carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(c) A seller may elect to round the tax under subsection (b) on a transaction on an item basis or an invoice basis. However, a seller may not round the tax under subsection (b) to circumvent the tax that would otherwise be imposed on a transaction using an invoice basis.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.2-1982(ss), SEC.2; P.L.192-2002(ss), SEC.49; P.L.146-2008, SEC.310; P.L.113-2010, SEC.47; P.L.87-2014, SEC.1.

IC 6-2.5-2-3

Tax rate on certain motor vehicle purchases

Sec. 3. (a) As used in this section, "motor vehicle" means a vehicle that would be subject to the annual license excise tax imposed under IC 6-6-5 if the vehicle were to be used in Indiana.

(b) Notwithstanding section 2 of this chapter, the state gross retail tax rate on a motor vehicle that a purchaser intends to:

(1) transport to a destination outside Indiana within thirty (30) days after delivery; and

(2) title or register for use in another state or country;

is the rate of that state or country (excluding any locally imposed tax rates) as certified by the seller and purchaser in an affidavit satisfying the requirements of subsection (c).

(c) The department of state revenue shall prescribe the form of the affidavit required by subsection (b). In addition to the certification required by subsection (b), the affidavit must include the following:

(1) The name of the state or country in which the motor vehicle will be titled or registered.

(2) An affirmation by the purchaser under the penalties for

perjury that the information contained in the affidavit is true.

(3) Any other information required by the department of state revenue for the purpose of verifying the information contained in the affidavit.

(d) The department may audit affidavits submitted under this section and make a proposed assessment of the amount of unpaid tax due with respect to any incorrect information submitted in an affidavit required by this section.

As added by P.L.166-2014, SEC.9.

IC 6-2.5-3
Chapter 3. Use Tax

IC 6-2.5-3-0.3
Intent of general assembly in construction of amendments to section 1 of this chapter

Sec. 0.3. It is the intent of the general assembly that the amendments made to section 1 of this chapter by P.L.70-1993 be construed liberally in favor of persons, corporations, partnerships, or other entities contracting with commercial printers.
As added by P.L.220-2011, SEC.134.

IC 6-2.5-3-1
Definitions

Sec. 1. For purposes of this chapter:

(a) "Use" means the exercise of any right or power of ownership over tangible personal property.

(b) "Storage" means the keeping or retention of tangible personal property in Indiana for any purpose except the subsequent use of that property solely outside Indiana.

(c) "A retail merchant engaged in business in Indiana" includes any retail merchant who makes retail transactions in which a person acquires personal property or services for use, storage, or consumption in Indiana and who:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;

(2) maintains a representative, agent, salesman, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana;

(3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1; or

(4) may be required by the state to collect tax under this article to the extent allowed under the Constitution of the United States and federal law.

(d) Notwithstanding any other provision of this section, tangible or intangible property that is:

(1) owned or leased by a person that has contracted with a commercial printer for printing; and

(2) located at the premises of the commercial printer;

shall not be considered to be, or to create, an office, a place of distribution, a sales location, a sample location, a warehouse, a storage place, or other place of business maintained, occupied, or

used in any way by the person. A commercial printer with which a person has contracted for printing shall not be considered to be in any way a representative, an agent, a salesman, a canvasser, or a solicitor for the person.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.70-1993, SEC.2; P.L.81-2004, SEC.3.

IC 6-2.5-3-2

Imposition of use tax

Sec. 2. (a) An excise tax, known as the use tax, is imposed on the storage, use, or consumption of tangible personal property in Indiana if the property was acquired in a retail transaction, regardless of the location of that transaction or of the retail merchant making that transaction.

(b) The use tax is also imposed on the storage, use, or consumption of a vehicle, an aircraft, or a watercraft, if the vehicle, aircraft, or watercraft:

(1) is acquired in a transaction that is an isolated or occasional sale; and

(2) is required to be titled, licensed, or registered by this state for use in Indiana.

(c) The use tax is imposed on the addition of tangible personal property to a structure or facility, if, after its addition, the property becomes part of the real estate on which the structure or facility is located. However, the use tax does not apply to additions of tangible personal property described in this subsection, if:

(1) the state gross retail or use tax has been previously imposed on the sale or use of that property; or

(2) the ultimate purchaser or recipient of that property would have been exempt from the state gross retail and use taxes if that purchaser or recipient had directly purchased the property from the supplier for addition to the structure or facility.

(d) The use tax is imposed on a person who:

(1) manufactures, fabricates, or assembles tangible personal property from materials either within or outside Indiana; and

(2) uses, stores, distributes, or consumes tangible personal property in Indiana.

(e) Notwithstanding any other provision of this section, the use tax is not imposed on the keeping, retaining, or exercising of any right or power over tangible personal property, if:

(1) the property is delivered into Indiana by or for the purchaser of the property;

(2) the property is delivered in Indiana for the sole purpose of being processed, printed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property; and

(3) the property is subsequently transported out of state for use solely outside Indiana.

(f) As used in subsection (g) and IC 6-2.5-5-42:

(1) "completion work" means the addition of tangible personal

property to or reconfiguration of the interior of an aircraft, if the work requires the issuance of an airworthiness certificate from the:

(A) Federal Aviation Administration; or

(B) equivalent foreign regulatory authority;

due to the change in the type certification basis of the aircraft resulting from the addition to or reconfiguration of the interior of the aircraft;

(2) "delivery" means the physical delivery of the aircraft regardless of who holds title; and

(3) "prepurchase evaluation" means an examination of an aircraft by a potential purchaser for the purpose of obtaining information relevant to the potential purchase of the aircraft.

(g) Notwithstanding any other provision of this section, the use tax is not imposed on the keeping, retaining, or exercising of any right or power over an aircraft, if:

(1) the aircraft is or will be titled, registered, or based (as defined in IC 6-6-6.5-1(m)) in another state or country;

(2) the aircraft is delivered to Indiana by or for a nonresident owner or purchaser of the aircraft;

(3) the aircraft is delivered to Indiana for the sole purpose of being repaired, refurbished, remanufactured, or subjected to completion work or a prepurchase evaluation; and

(4) after completion of the repair, refurbishment, remanufacture, completion work, or prepurchase evaluation, the aircraft is transported to a destination outside Indiana.

(h) The amendments made to this section by P.L.153-2012 shall be interpreted to specify and not to change the general assembly's intent with respect to this section.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.26-1985, SEC.3; P.L.335-1989(ss), SEC.2; P.L.162-2006, SEC.20; P.L.211-2007, SEC.9; P.L.153-2012, SEC.1; P.L.13-2013, SEC.20.

IC 6-2.5-3-3

Rates; certain transactions defined

Sec. 3. The use tax is measured by the gross retail income received in a retail unitary transaction and is imposed at the same rates as the state gross retail tax under IC 6-2.5-2-2. For purposes of this chapter, transactions described in IC 6-2.5-3-2(b) and (c) shall be treated as retail transactions within the meaning of IC 6-2.5-1-2.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1981, P.L.78, SEC.1.

IC 6-2.5-3-4

Exemptions

Sec. 4. (a) The storage, use, and consumption of tangible personal property in Indiana is exempt from the use tax if:

(1) the property was acquired in a retail transaction in Indiana and the state gross retail tax has been paid on the acquisition of that property; or

(2) the property was acquired in a transaction that is wholly or partially exempt from the state gross retail tax under any part of IC 6-2.5-5, except IC 6-2.5-5-24(b), and the property is being used, stored, or consumed for the purpose for which it was exempted.

(b) If a person issues a state gross retail or use tax exemption certificate for the acquisition of tangible personal property and subsequently uses, stores, or consumes that property for a nonexempt purpose, then the person shall pay the use tax.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-3-5

Credit for payment of other taxes

Sec. 5. A person is entitled to a credit against the use tax imposed on the use, storage, or consumption of a particular item of tangible personal property equal to the amount, if any, of sales tax, purchase tax, or use tax paid to another state, territory, or possession of the United States for the acquisition of that property.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.26-1985, SEC.4; P.L.335-1989(ss), SEC.3; P.L.81-2004, SEC.4.

IC 6-2.5-3-6

Liability; payment; collection; computation

Sec. 6. (a) For purposes of this section, "person" includes an individual who is personally liable for use tax under IC 6-2.5-9-3.

(b) The person who uses, stores, or consumes the tangible personal property acquired in a retail transaction is personally liable for the use tax.

(c) The person liable for the use tax shall pay the tax to the retail merchant from whom the person acquired the property, and the retail merchant shall collect the tax as an agent for the state, if the retail merchant is engaged in business in Indiana or if the retail merchant has departmental permission to collect the tax. In all other cases, the person shall pay the use tax to the department.

(d) Notwithstanding subsection (c), a person liable for the use tax imposed in respect to a vehicle, watercraft, or aircraft under section 2(b) of this chapter shall pay the tax:

(1) to the titling agency when the person applies for a title for the vehicle or the watercraft;

(2) to the registering agency when the person registers the aircraft; or

(3) to the registering agency when the person registers the watercraft because it is a United States Coast Guard documented vessel;

unless the person presents proof to the agency that the use tax or state gross retail tax has already been paid with respect to the purchase of the vehicle, watercraft, or aircraft or proof that the taxes are inapplicable because of an exemption under this article.

(e) At the time a person pays the use tax for the purchase of a vehicle to a titling agency pursuant to subsection (d), the titling

agency shall compute the tax due based on the presumption that the sale price was the average selling price for that vehicle, as determined under a used vehicle buying guide to be chosen by the titling agency. However, the titling agency shall compute the tax due based on the actual sale price of the vehicle if the buyer, at the time the buyer pays the tax to the titling agency, presents documentation to the titling agency sufficient to rebut the presumption set forth in this subsection and to establish the actual selling price of the vehicle.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1981, P.L.79, SEC.1; P.L.26-1985, SEC.5; P.L.335-1989(ss), SEC.4; P.L.18-1994, SEC.6; P.L.28-1997, SEC.8; P.L.182-2009(ss), SEC.175.

IC 6-2.5-3-7

Presumption of taxability; exemption certificate; verification for property used or consumed in providing public transportation

Sec. 7. (a) A person who acquires tangible personal property from a retail merchant for delivery in Indiana is presumed to have acquired the property for storage, use, or consumption in Indiana. However, the person or the retail merchant can produce evidence to rebut that presumption.

(b) A retail merchant is not required to produce evidence of nontaxability under subsection (a) if the retail merchant receives from the person who acquired the property an exemption certificate which certifies, in the form prescribed by the department, that the acquisition is exempt from the use tax.

(c) A retail merchant that sells tangible personal property to a person that purchases the tangible personal property for use or consumption in providing public transportation under IC 6-2.5-5-27 may verify the exemption by obtaining the person's:

(1) name;

(2) address; and

(3) motor carrier number, United States Department of Transportation number, or any other identifying number authorized by the department.

The person engaged in public transportation shall provide a signature to affirm under penalties of perjury that the information provided to the retail merchant is correct and that the tangible personal property is being purchased for an exempt purpose.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.211-2007, SEC.10.

IC 6-2.5-3-8

Receipt for payment; issuance; evidence of payment

Sec. 8. (a) When a retail merchant collects the use tax from a person, he shall, upon request, issue a receipt to that person for the use tax collected.

(b) If the department assesses the use tax against a person for the person's storage, use, or consumption of tangible personal property in Indiana, and if the person has already paid the use tax in relation

to that property to a retail merchant who is registered under IC 6-2.5-6, to the department, or, in the case of a vehicle or aircraft, to the proper state agency, then the person may avoid paying the use tax to the department if he can produce a receipt or other written evidence showing that he has so made the use tax payment.
As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-3-9
Expired
(Expired 6-30-2013 by P.L.229-2011, SEC.80.)

IC 6-2.5-3-10
Required publication; duty to pay use tax
Sec. 10. The department shall publish on the department's web site the information needed to communicate a person's obligation to remit use tax on the exercise of any right or power of ownership over tangible personal property in Indiana for which gross retail tax has not been paid, including purchases using the Internet or a catalog.
As added by P.L.229-2011, SEC.81.

IC 6-2.5-3.5

Chapter 3.5. Collection of Use Tax on Gasoline

IC 6-2.5-3.5-1
"Distributor"

Sec. 1. As used in this chapter, "distributor" means a person that is the first purchaser of gasoline from a refiner, terminal operator, or supplier, regardless of the location of the purchase.
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-2
Repealed

(Repealed by P.L.2-2014, SEC.27.)

IC 6-2.5-3.5-3
"Federal gasoline tax"

Sec. 3. As used in this chapter, "federal gasoline tax" means the excise tax imposed on gasoline under Section 4081 of the Internal Revenue Code.
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-4
"Gasoline"

Sec. 4. As used in this chapter, "gasoline" has the meaning set forth in IC 6-6-1.1-103(g).
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-5
"Indiana gasoline tax"

Sec. 5. As used in this chapter, "Indiana gasoline tax" means the tax imposed under IC 6-6-1.1.
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-6
"Metered pump"

Sec. 6. As used in this chapter, "metered pump" means a stationary pump that is capable of metering the amount of gasoline or special fuel dispensed from it and that is capable of simultaneously calculating and displaying the price of the gasoline or special fuel dispensed.
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-7
Repealed

(Repealed by P.L.2-2014, SEC.28.)

IC 6-2.5-3.5-8
"Purchase or shipment"

Sec. 8. As used in this chapter, "purchase or shipment" means a sale or delivery of gasoline, but does not include:

(1) an exchange transaction between refiners, terminal operators, or a refiner and terminal operator; or

(2) a delivery by pipeline, ship, or barge to a refiner or terminal operator.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-9
"Qualified distributor"

Sec. 9. As used in this chapter, "qualified distributor" means a distributor that:

(1) is a licensed distributor under IC 6-6-1.1; and

(2) holds an uncanceled permit issued under section 17 of this chapter.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-10
"Refiner"

Sec. 10. As used in this chapter, "refiner" means a person who manufactures or produces gasoline by any process involving substantially more than the blending of gasoline.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-11
"Terminal operator"

Sec. 11. As used in this chapter, "terminal operator" means a person that:

(1) stores gasoline in tanks and equipment used in receiving and storing gasoline from interstate or intrastate pipelines pending wholesale bulk reshipment; or

(2) stores gasoline at a boat terminal transfer that is a dock or tank, or equipment contiguous to a dock or tank, including equipment used in the unloading of gasoline from a ship or barge and used in transferring the gasoline to a tank pending wholesale bulk reshipment.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-12
"Total price per unit"

Sec. 12. As used in this chapter, "total price per unit" means the price per unit at which gasoline is actually sold, including the gasoline use tax, Indiana gasoline tax, and federal gasoline tax that are part of the sales price.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-13
"Unit"

Sec. 13. As used in this chapter, "unit" means the unit of measure, such as a gallon or a liter, by which gasoline is sold.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-14
"Use tax rate"

Sec. 14. As used in this chapter, "use tax rate" means a rate per gallon of gasoline determined by the department under section 15 of this chapter and used to calculate the use tax due on the retail sale of gasoline under section 16 of this chapter, notwithstanding the collection procedures set forth in this chapter.
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-15
Monthly notice of the gasoline use tax rate

Sec. 15. (a) Before the twenty-second day of each month, the department shall determine and provide a notice of the gasoline use tax rate to be used during the following month and the source of the data used to determine the gasoline use tax rate and the statewide average retail price per gallon of gasoline. The notice shall be published on the department's Internet web site in a departmental notice.

(b) In determining the gasoline use tax rate under this section, the department shall use:

(1) the statewide average retail price per gallon of gasoline (based on the retail price per gallon of gasoline from the sixteenth day of the previous month to the fifteenth day of the current month), excluding the Indiana gasoline tax, federal gasoline tax, the Indiana gasoline use tax, and Indiana gross retail tax (if any); multiplied by

(2) seven percent (7%).

To determine the statewide average retail price, the department shall use a data service that updates the most recent retail price of gasoline. The gasoline use tax rate per gallon of gasoline determined by the department under this section shall be rounded to the nearest one-tenth of one cent ($0.001).
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-16
Remittance of gasoline use tax to the department

Sec. 16. A qualified distributor, a refiner, or a terminal operator that sells gasoline for delivery to a retail merchant located in Indiana shall remit the gasoline use tax to the department for each gallon of gasoline sold. The person shall remit that amount regardless of the amount of gasoline use tax that the person has actually collected under this chapter. However, the person is entitled to deduct and retain the amounts prescribed in IC 6-2.5-6-10 and IC 6-2.5-6-11.
As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-17
Permit to receive gasoline without paying the gasoline use tax

Sec. 17. (a) A distributor, refiner, or terminal operator desiring to receive gasoline within Indiana without paying the gasoline use tax must hold an uncanceled permit issued by the department to collect

payments of gasoline use tax from purchasers and recipients of gasoline.

(b) To obtain a permit, a distributor, refiner, or terminal operator must file with the department a sworn application containing information that the department reasonably requires.

(c) The department may refuse to issue a permit to a distributor, refiner, or terminal operator if:

(1) the application is filed by a distributor, refiner, or terminal operator whose permit has previously been canceled for cause;

(2) the application is not filed in good faith, as determined by the department;

(3) the application is filed by a person as a subterfuge for the real person in interest whose permit has previously been canceled for cause; or

(4) the distributor, refiner, or terminal operator has outstanding tax liability with the department for which a tax warrant has been issued.

(d) A permit may not be issued unless the application is accompanied by an audited and current financial statement and a license fee of one hundred dollars ($100).

(e) A permit issued under this section is not assignable and is valid only for the distributor, refiner, or terminal operator in whose name it is issued. If there is a change in name or ownership, the distributor, refiner, or terminal operator must apply for a new permit.

(f) The department may revoke a permit for good cause.

(g) Before being denied a permit under subsection (c) or before having a permit revoked under subsection (f), a distributor, refiner, or terminal operator is entitled to a hearing after five (5) business days written notice. At the hearing, the distributor, refiner, or terminal operator may appear in person or by counsel and present testimony.

(h) The department shall keep a record of all qualified distributors, refiners, and terminal operators.

(i) The department may publish a list of qualified distributors on the department's Internet web site. The list must be limited to the following information:

(1) The name of each qualified distributor.

(2) The complete address of each qualified distributor.

(3) The telephone number of each qualified distributor.

(j) The information contained in a list published under subsection (i) is not confidential under IC 6-8.1-7-1.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-18

Bond associated with a permit

Sec. 18. (a) The department may require a distributor, refiner, or terminal operator to file, concurrently with the filing of an application for a permit, a bond:

(1) in an amount of at least two thousand dollars ($2,000) and not more than an amount equal to a three (3) month gasoline use

tax liability for the distributor, as estimated by the department;

(2) in cash or with a surety company approved by the department;

(3) upon which the distributor is the principal obligor and the state is the obligee; and

(4) conditioned upon the prompt filing of true electronic reports and payment of all gasoline use taxes collected by the distributor, together with any penalties and interest, and upon faithful compliance with this chapter.

The department shall determine the amount of the distributor's bond, if any.

(b) If after a hearing (conducted after at least five (5) days written notice) the department determines that the amount of a distributor's bond is insufficient, the distributor shall upon written demand of the department file a new bond.

(c) The department may require a distributor to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability upon the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the department, any surety on the old bond becomes unsatisfactory.

(d) If a new bond obtained under subsection (b) or (c) is unsatisfactory, the department shall cancel the permit of the distributor. If the new bond is satisfactorily furnished, the department shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(e) Sixty (60) days after making a written request for release to the department, the surety of a bond furnished by a distributor is released from any liability to the state accruing on the bond. The release does not affect any liability accruing before expiration of the sixty (60) day period. The department shall promptly notify the distributor furnishing the bond that the surety has requested release. Unless the distributor obtains a new bond that meets the requirements of this section and files the new bond with the department within the sixty (60) day period, the department shall cancel the distributor's permit.

(f) The department may require a distributor to furnish certified public accountant reviewed or audited annual financial statements to determine if any change is required in the amount of the distributor's bond.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-19

Collection of gasoline use tax

Sec. 19. (a) Except as provided in section 22 of this chapter, at the time of purchase or shipment of gasoline from a refiner or terminal operator to a distributor that is not a qualified distributor, the refiner or terminal operator shall collect and the distributor shall pay to the refiner or terminal operator the gasoline use tax in an amount determined under subsection (d).

(b) At the time of purchase or shipment of gasoline from a

qualified distributor to a retail merchant, the qualified distributor shall collect and the retail merchant shall pay to the qualified distributor the gasoline use tax in an amount determined under subsection (d).

(c) If gasoline is delivered to a retail merchant for resale and the gasoline use tax in the amount determined under subsection (d) has not been paid on the gasoline, the refiner, terminal operator, or qualified distributor making the delivery shall pay to the department the gasoline use tax in an amount determined under subsection (d). For purposes of this chapter, a bulk plant is considered to be a retail merchant, except when the bulk plant is also a qualified distributor.

(d) The amount of tax that must be paid under this section equals:

(1) the gasoline use tax rate per gallon of gasoline, as determined by the department under section 15 of this chapter; multiplied by

(2) the number of invoiced gallons purchased or shipped.

(e) A purchaser or receiver of gasoline that purchases the gasoline at retail from a metered pump and makes a payment under this chapter is not subject to any liability to the state for the amount of the payment.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-20

Remittance of gasoline use tax; reporting

Sec. 20. (a) Each refiner or terminal operator and each qualified distributor that is required to remit gasoline use tax under this chapter shall remit the tax due to the department semimonthly, through the department's online tax filing system, according to the following schedule:

(1) On or before the tenth day of each month for gasoline sold after the fifteenth day and before the end of the preceding month.

(2) On or before the twenty-fifth day of each month for gasoline sold after the end of the preceding month and before the sixteenth day of the month in which the gasoline was sold.

(b) Before the end of each month, each refiner or terminal operator and each qualified distributor shall file an electronic report covering the taxes owed and the gallons of gasoline sold or shipped during the preceding month. The report must include the following:

(1) The number of gallons of gasoline sold or shipped during the preceding month, identifying each purchaser or receiver as required by the department.

(2) The amount of tax paid by each purchaser or recipient.

(3) Any other information reasonably required by the department, including statistics to meet federal requirements.

(c) The gasoline use tax collected under this chapter shall be deposited in the same manner as state gross retail and use taxes are required to be deposited under IC 6-2.5-10-1.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-21
Invoicing; sales to exempt purchasers

Sec. 21. (a) Except as provided in subsection (b), a distributor that pays the gasoline use tax under this chapter shall separately state the amount of tax paid on the invoice the distributor issues to its purchaser or recipient. The purchaser or recipient shall pay to the distributor an amount equal to the gasoline use tax paid.

(b) A distributor that:

(1) pays the gasoline use tax under this chapter;

(2) is a retail merchant; and

(3) sells gasoline that is exempt from the gasoline use tax, as evidenced by a purchaser's exemption certificate issued by the department;

may not require the exempt purchaser to pay the gasoline use taxes paid on the gasoline sold to the exempt purchaser. A distributor that has paid gasoline use taxes and has not been reimbursed because the gasoline is sold to an exempt purchaser may file a claim for a refund. A claim for a refund must be on the form approved by the department and must include all supporting documentation reasonably required by the department. If a distributor files a completed refund claim form that includes all supporting documentation, the department shall authorize the auditor of state to issue a warrant for the refund.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-22
Purchases or shipments of gasoline to or from locations outside Indiana

Sec. 22. (a) If a purchase or shipment of gasoline is made to a distributor (other than a qualified distributor) outside Indiana for shipment into and subsequent sale or use by the distributor within Indiana, the distributor shall make the payment required by section 19 of this chapter directly to the department. The distributor shall pay the tax and submit the electronic report according to the schedule set forth in section 20 of this chapter.

(b) If a purchase or shipment is made within Indiana for shipment and subsequent sale outside Indiana, the purchase or shipment is exempt from the gasoline use tax payment requirements of section 19 of this chapter. In such a case, if the gasoline use tax has already been paid on the purchase or shipment, the distributor (including a qualified distributor) may claim a credit for that gasoline use tax against the amount required to be remitted if the distributor provides evidence that the shipment and subsequent sale were outside Indiana.

(c) A distributor importing gasoline into Indiana must obtain a permit from the department under section 17 of this chapter.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-23
Consequences for failure to pay and failure to file

Sec. 23. (a) A refiner, terminal operator, or distributor (including a qualified distributor) that fails to remit the tax or file the returns or

reports required by this chapter is subject to the penalties set forth in IC 6-8.1-10.

(b) A distributor that fails to file the reports required by this chapter is subject to the penalties set forth in IC 6-8.1-10.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-24

Display of price

Sec. 24. A retail merchant shall display on the metered pump the total price per unit of the gasoline. A retail merchant may not advertise the gasoline at a price that is different than the price that the retail merchant is required to display on the metered pump.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-25

Exempt transactions; refunds; procedures

Sec. 25. If a sale of gasoline is exempt from the gasoline use tax, the person that pays the tax to the retail merchant may file a claim for refund with the department. The person must file the claim on the form, in the manner, and with the supporting documentation, prescribed by the department. If a person properly files a claim for refund, the department shall refund to the person the gasoline use tax collected with respect to the exempt transaction.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-3.5-26

Relation to the state gross retail tax; exemptions

Sec. 26. (a) The gasoline use tax collected under this chapter is considered equivalent to the state gross retail tax that would be collected by a retail merchant in a retail sale and replaces the obligation of the retail merchant to collect the state gross retail tax on the sale of gasoline.

(b) The exemptions set forth in IC 6-2.5-5 apply to the gasoline use tax imposed by this chapter.

As added by P.L.227-2013, SEC.1.

IC 6-2.5-4

Chapter 4. Retail Transactions of Retail Merchant

IC 6-2.5-4-1

Selling at retail

Sec. 1. (a) A person is a retail merchant making a retail transaction when the person engages in selling at retail.

(b) A person is engaged in selling at retail when, in the ordinary course of the person's regularly conducted trade or business, the person:

(1) acquires tangible personal property for the purpose of resale; and

(2) transfers that property to another person for consideration.

(c) For purposes of determining what constitutes selling at retail, it does not matter whether:

(1) the property is transferred in the same form as when it was acquired;

(2) the property is transferred alone or in conjunction with other property or services; or

(3) the property is transferred conditionally or otherwise.

(d) Notwithstanding subsection (b), a person is not selling at retail if the person is making a wholesale sale as described in section 2 of this chapter. However, in the case of sales of gasoline (as defined in IC 6-6-1.1-103), a person shall collect the gasoline use tax as provided in IC 6-2.5-3.5.

(e) The gross retail income received from selling at retail is only taxable under this article to the extent that the income represents:

(1) the price of the property transferred, without the rendition of any service; and

(2) except as provided in subsection (g), any bona fide charges which are made for preparation, fabrication, alteration, modification, finishing, completion, delivery, or other service performed in respect to the property transferred before its transfer and which are separately stated on the transferor's records.

For purposes of this subsection, a transfer is considered to have occurred after delivery of the property to the purchaser.

(f) Notwithstanding subsection (e):

(1) in the case of retail sales of special fuel (as defined in IC 6-6-2.5-22), the gross retail income received from selling at retail is the total sales price of the special fuel minus the part of that price attributable to tax imposed under IC 6-6-2.5 or Section 4041(a) or Section 4081 of the Internal Revenue Code; and

(2) in the case of retail sales of cigarettes (as defined in IC 6-7-1-2), the gross retail income received from selling at retail is the total sales price of the cigarettes including the tax imposed under IC 6-7-1.

(g) Gross retail income does not include income that represents charges for serving or delivering food and food ingredients furnished,

prepared, or served for consumption at a location, or on equipment, provided by the retail merchant. However, the exclusion under this subsection only applies if the charges for the serving or delivery are stated separately from the price of the food and food ingredients when the purchaser pays the charges.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.2-1987, SEC.14; P.L.6-1987, SEC.5; P.L.277-1993(ss), SEC.40; P.L.257-2003, SEC.19; P.L.81-2004, SEC.5; P.L.227-2013, SEC.2.

IC 6-2.5-4-2

Wholesale sales; nonretail transactions

Sec. 2. (a) A person is a retail merchant making a retail transaction when he is making wholesale sales.

(b) For purposes of this section, a person is making wholesale sales when he:

(1) sells tangible personal property, other than capital assets or depreciable property, to a person who purchases the property for the purpose of reselling it without changing its form;

(2) sells tangible personal property to a person who purchases the property for direct consumption as a material in the direct production of other tangible personal property produced by the person in his business of manufacturing, processing, refining, repairing, mining, agriculture, or horticulture;

(3) sells tangible personal property to a person who purchases the property for incorporation as a material or integral part of tangible personal property produced by the person in his business of manufacturing, assembling, constructing, refining, or processing;

(4) sells drugs, medical or dental preparations, or other similar materials to a person who purchases the materials for direct consumption in professional use by a physician, hospital, embalmer, funeral director, or tonsorial parlor;

(5) sells tangible personal property to a person who purchases the property for direct consumption in his business of industrial cleaning; or

(6) sells tangible personal property to a person who purchases the property for direct consumption in the person's business in the direct rendering of public utility service.

(c) Notwithstanding any provision of this article, a person is not making a retail transaction when he:

(1) acquires tangible personal property owned by another person;

(2) provides industrial processing or servicing, including enameling or plating, on the property; and

(3) transfers the property back to the owner to be sold by that owner either in the same form or as a part of other tangible personal property produced by that owner in his business of manufacturing, assembling, constructing, refining, or processing.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.246-1985,

SEC.9.

IC 6-2.5-4-3
Water softening and conditioning business

Sec. 3. (a) A person is a retail merchant making a retail transaction when he regularly and occupationally engages in the business of softening and conditioning water.

(b) For purposes of this section, the business of softening and conditioning water includes the exchange of water softening and conditioning tanks in the ordinary course of the business, but does not include the preparatory plumbing and work necessary for the first installation of tanks.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-4-4
Renting or furnishing rooms, lodgings, or other accommodations

Sec. 4. (a) A person is a retail merchant making a retail transaction when the person rents or furnishes rooms, lodgings, or other accommodations, such as booths, display spaces, banquet facilities, and cubicles or spaces used for adult relaxation, massage, modeling, dancing, or other entertainment to another person:

(1) if those rooms, lodgings, or accommodations are rented or furnished for periods of less than thirty (30) days; and

(2) if the rooms, lodgings, and accommodations are located in a hotel, motel, inn, tourist camp, tourist cabin, gymnasium, hall, coliseum, or other place, where rooms, lodgings, or accommodations are regularly furnished for consideration.

(b) Each rental or furnishing by a retail merchant under subsection (a) is a separate unitary transaction regardless of whether consideration is paid to an independent contractor or directly to the retail merchant.

(c) For purposes of this section, "consideration" includes a membership fee charged to a customer.

(d) Notwithstanding subsection (a), a person is not a retail merchant making a retail transaction if:

(1) the person is a promoter that rents a booth or display space to an exhibitor; and

(2) the booth or display space is located in a facility that:

(A) is described in subsection (a)(2); and

(B) is operated by a political subdivision (including a capital improvement board established under IC 36-10-8 or IC 36-10-9) or the state fair commission.

This subsection does not exempt from the state gross retail tax the renting of accommodations by a political subdivision or the state fair commission to a promoter or an exhibitor.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.93-1987, SEC.1; P.L.85-1989, SEC.1; P.L.20-1990, SEC.7.

IC 6-2.5-4-4.5
Repealed

(Repealed by P.L.81-2004, SEC.59.)

IC 6-2.5-4-5
Power subsidiaries of public utilities

Sec. 5. (a) As used in this section, a "power subsidiary" means a corporation which is owned or controlled by one (1) or more public utilities that furnish or sell electrical energy, natural or artificial gas, water, steam, or steam heat and which produces power exclusively for the use of those public utilities.

(b) A power subsidiary or a person engaged as a public utility is a retail merchant making a retail transaction when the subsidiary or person furnishes or sells electrical energy, natural or artificial gas, water, steam, or steam heating service to a person for commercial or domestic consumption.

(c) Notwithstanding subsection (b), a power subsidiary or a person engaged as a public utility is not a retail merchant making a retail transaction in any of the following transactions:

(1) The power subsidiary or person provides, installs, constructs, services, or removes tangible personal property which is used in connection with the furnishing of the services or commodities listed in subsection (b).

(2) The power subsidiary or person sells the services or commodities listed in subsection (b) to another public utility or power subsidiary described in this section or a person described in section 6 of this chapter.

(3) The power subsidiary or person sells the services or commodities listed in subsection (b) to a person for use in manufacturing, mining, production, processing (after December 31, 2012), repairing (after December 31, 2012), refining, recycling (as defined in IC 6-2.5-5-45.8), oil extraction, mineral extraction, irrigation, agriculture, floriculture (after December 31, 2012), arboriculture (after December 31, 2012), or horticulture. However, this exclusion for sales of the services and commodities only applies if the services are consumed as an essential and integral part of an integrated process that produces tangible personal property and those sales are separately metered for the excepted uses listed in this subdivision, or if those sales are not separately metered but are predominately used by the purchaser for the excepted uses listed in this subdivision.

(4) The power subsidiary or person sells the services or commodities listed in subsection (b) and all the following conditions are satisfied:

(A) The services or commodities are sold to a business that:

(i) relocates all or part of its operations to a facility; or

(ii) expands all or part of its operations in a facility;

located in a military base (as defined in IC 36-7-30-1(c)), a military base reuse area established under IC 36-7-30, the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as

defined in IC 36-7-30-1(c)), or a qualified military base enhancement area established under IC 36-7-34.

(B) The business uses the services or commodities in the facility described in clause (A) not later than five (5) years after the operations that are relocated to the facility or expanded in the facility commence.

(C) The sales of the services or commodities are separately metered for use by the relocated or expanded operations.

(D) In the case of a business that uses the services or commodities in a qualified military base enhancement area established under IC 36-7-34-4(1), the business must satisfy at least one (1) of the following criteria:

(i) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(ii) The business is a United States Department of Defense contractor.

(iii) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the United States Department of Defense.

(E) In the case of a business that uses the services or commodities in a qualified military base enhancement area established under IC 36-7-34-4(2), the business must satisfy at least one (1) of the following criteria:

(i) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(ii) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the qualified military base (as defined in IC 36-7-34-3).

However, this subdivision does not apply to a business that substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations in an area described in this subdivision, unless the department determines that the business had existing operations in the area described in this subdivision and that the operations relocated to the area are an expansion of the business's operations in the area.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.48-1984, SEC.1; P.L.71-1993, SEC.4; P.L.81-2004, SEC.19; P.L.190-2005, SEC.1; P.L.203-2005, SEC.3; P.L.162-2006, SEC.21; P.L.180-2006, SEC.3; P.L.1-2007, SEC.51; P.L.32-2007, SEC.1; P.L.58-2012, SEC.2; P.L.137-2012, SEC.46; P.L.288-2013, SEC.28.

IC 6-2.5-4-6

Taxation of telecommunication services; aggregation of taxable and nontaxable services on customer bills

Sec. 6. (a) A person is a retail merchant making a retail transaction when the person:

(1) furnishes or sells an intrastate telecommunication service; and

(2) receives gross retail income from billings or statements rendered to customers.

(b) Notwithstanding subsection (a), a person is not a retail merchant making a retail transaction when:

(1) the person furnishes or sells telecommunication services to another person described in this section or in section 5 of this chapter;

(2) the person furnishes telecommunications services to another person who is providing prepaid calling services or prepaid wireless calling services in a retail transaction to customers who access the services described in section 13 of this chapter;

(3) the person furnishes intrastate mobile telecommunications service (as defined in IC 6-8.1-15-7) to a customer with a place of primary use that is not located in Indiana (as determined under IC 6-8.1-15); or

(4) the person furnishes or sells value added nonvoice data services in a retail transaction to a customer.

(c) Subject to IC 6-2.5-12 and IC 6-8.1-15, and notwithstanding subsections (a) and (b), if charges for telecommunication services, ancillary services, Internet access, audio services, or video services that are not taxable under this article are aggregated with and not separately stated from charges subject to taxation under this article, the charges for nontaxable telecommunication services, ancillary services, Internet access, audio services, or video services are subject to taxation unless the service provider can reasonably identify the charges not subject to the tax from the service provider's books and records kept in the regular course of business.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.71-1993, SEC.5; P.L.8-1996, SEC.3; P.L.8-1998, SEC.1; P.L.104-2002, SEC.1; P.L.5-2004, SEC.1; P.L.145-2007, SEC.7; P.L.84-2011, SEC.1.

IC 6-2.5-4-7
Repealed

(Repealed by P.L.71-1993, SEC.28.)

IC 6-2.5-4-8
Governmental entities; private or proprietary activities

Sec. 8. An Indiana governmental entity, agency, instrumentality, or political subdivision (including a state college or university) is a retail merchant making a retail transaction when it performs private or proprietary activities that would constitute retail transactions under this article if those activities were performed by a retail merchant. However, this section does not apply to a political subdivision that performs an activity that is related to an annual festival, carnival, fair, or similar event.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.93-1987, SEC.2.

IC 6-2.5-4-9
Sale of property to be added to structures or facilities; exemption

Sec. 9. (a) A person is a retail merchant making a retail transaction when the person sells tangible personal property which:

(1) is to be added to a structure or facility by the purchaser; and
(2) after its addition to the structure or facility, would become a part of the real estate on which the structure or facility is located.

(b) Notwithstanding subsection (a), a transaction described in subsection (a) is not a retail transaction, if the ultimate purchaser or recipient of the property to be added to the structure or facility would be exempt from the state gross retail and use taxes if that purchaser or recipient had directly purchased the property from the supplier for addition to the structure or facility.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-4-10
Rental or leasing of personal property; sale of property rented or leased in course of business; exclusion

Sec. 10. (a) A person, other than a public utility, is a retail merchant making a retail transaction when he rents or leases tangible personal property to another person other than for subrent or sublease.

(b) A person is a retail merchant making a retail transaction when the person sells any tangible personal property which has been rented or leased in the regular course of the person's rental or leasing business.

(c) Notwithstanding subsection (a), a person is not a retail merchant making a retail transaction when the person rents or leases motion picture film, audio tape, or video tape to another person. However, this exclusion only applies if:

(1) the person who pays to rent or lease the film charges admission to those who view the film; or
(2) the person who pays to rent or lease the film or tape broadcasts the film or tape for home viewing or listening.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.257-2003, SEC.20.

IC 6-2.5-4-11
Cable television service; satellite television or radio service

Sec. 11. (a) A person is a retail merchant making a retail transaction when the person furnishes cable television or radio service or satellite television or radio service that terminates in Indiana.

(b) Notwithstanding subsection (a), a person is not a retail merchant making a retail transaction when the person provides, installs, constructs, services, or removes tangible personal property which is used in connection with the furnishing of cable television or radio service or satellite television or radio service.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.81-2004,

SEC.6; P.L.2-2005, SEC.20.

IC 6-2.5-4-12
Auction sales; exceptions

Sec. 12. (a) A person is a retail merchant making a retail transaction when he sells tangible personal property at auction.

(b) Notwithstanding subsection (a), a person is not a retail merchant making a retail transaction when:

(1) he makes isolated or occasional sales of tangible personal property at auction;

(2) the sales occur on the premises of the owner of the tangible personal property; and

(3) the owner of the tangible personal property did not originally acquire that property for resale.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-4-13
Definition of retail merchant making retail transaction

Sec. 13. A person is a retail merchant making a retail transaction when a person sells:

(1) a prepaid calling service or prepaid wireless calling service at retail;

(2) a prepaid calling service authorization number or prepaid wireless calling service authorization number at retail;

(3) the reauthorization of a prepaid calling service or prepaid wireless calling service; or

(4) the reauthorization of a prepaid calling service authorization number or prepaid wireless calling service authorization number.

As added by P.L.8-1998, SEC.2. Amended by P.L.84-2011, SEC.2.

IC 6-2.5-4-14
Notice; proposed public vendors; identification of delinquent taxpayers

Sec. 14. The department of administration and each purchasing agent for a state educational institution shall provide the department with a list of every person who desires to enter into a contract to sell tangible personal property to an agency (as defined in IC 4-13-2-1) or a state educational institution. The department shall notify the department of administration or the purchasing agent of the state educational institution if a person on the list does not have a registered retail merchant certificate or is delinquent in remitting or paying amounts due to the department under this article.

As added by P.L.254-2003, SEC.4. Amended by P.L.2-2007, SEC.118; P.L.211-2007, SEC.11.

IC 6-2.5-4-15
Bundled transactions

Sec. 15. (a) This section applies to retail transactions occurring after December 31, 2007.

(b) A person is a retail merchant making a retail transaction when the person sells tangible personal property as part of a bundled transaction.
As added by P.L.153-2006, SEC.4.

IC 6-2.5-4-16
Repealed
(Repealed by P.L.1-2009, SEC.174.)

IC 6-2.5-4-16.2
Aircraft leasing or renting and flight instruction services
Sec. 16.2. (a) This section applies to transactions occurring after June 30, 2008.
(b) A person is a retail merchant making a retail transaction when the person:
(1) leases or rents an aircraft to another person; and
(2) provides flight instruction services to the lessee or renter during the term of the lease or rental.
(c) The amount of the gross retail income attributable to a retail transaction described in subsection (b) is the amount charged by the retail merchant for the lease or rental of the aircraft used in conjunction with the flight instruction services provided to the lessee or renter.
As added by P.L.1-2009, SEC.47.

IC 6-2.5-4-16.4
Specified digital products
Sec. 16.4. (a) As used in this section, "end user" does not include a person who receives by contract a product transferred electronically for further commercial broadcast, rebroadcast, transmission, retransmission, licensing, relicensing, distribution, redistribution, or exhibition of the product, in whole or in part, to another person or persons.
(b) A person is a retail merchant making a retail transaction when the person:
(1) electronically transfers specified digital products to an end user; and
(2) grants to the end user the right of permanent use of the specified digital products that is not conditioned upon continued payment by the purchaser.
(c) The sale of a digital code that may be used to obtain a product transferred electronically shall be taxed in the same manner as the product transferred electronically. As used in this subsection, a digital code means a method that permits a purchaser to obtain at a later date a product transferred electronically.
As added by P.L.1-2009, SEC.48. Amended by P.L.113-2010, SEC.48.

IC 6-2.5-4-17
Computer software maintenance contracts

Sec. 17. A person is a retail merchant making a retail transaction when the person enters into a computer software maintenance contract to provide future updates or upgrades to computer software. *As added by P.L.113-2010, SEC.49.*

IC 6-2.5-5

Chapter 5. Exempt Transactions of Retail Merchant

IC 6-2.5-5-0.4

Intent of general assembly adding section 36 of this chapter

Sec. 0.4. It is the intent of the general assembly that the addition of section 36 of this chapter by P.L.70-1993 be construed liberally in favor of persons, corporations, partnerships, or other entities contracting with commercial printers.

As added by P.L.220-2011, SEC.135.

IC 6-2.5-5-1

Animals, feed, seed, and chemicals

Sec. 1. Transactions involving animals, feed, seed, plants, fertilizer, insecticides, fungicides, and other tangible personal property are exempt from the state gross retail tax if:

(1) the person acquiring the property acquires it for his direct use in the direct production of food and food ingredients or commodities for sale or for further use in the production of food and food ingredients or commodities for sale; and

(2) the person acquiring the property is occupationally engaged in the production of food and food ingredients or commodities which he sells for human or animal consumption or uses for further food and food ingredient or commodity production.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.257-2003, SEC.21.

IC 6-2.5-5-2

Agricultural machinery, tools, and equipment

Sec. 2. (a) Transactions involving agricultural machinery, tools, and equipment are exempt from the state gross retail tax if the person acquiring that property acquires it for his direct use in the direct production, extraction, harvesting, or processing of agricultural commodities.

(b) Transactions involving agricultural machinery or equipment are exempt from the state gross retail tax if:

(1) the person acquiring the property acquires it for use in conjunction with the production of food and food ingredients or commodities for sale;

(2) the person acquiring the property is occupationally engaged in the production of food or commodities which he sells for human or animal consumption or uses for further food and food ingredients or commodity production; and

(3) the machinery or equipment is designed for use in gathering, moving, or spreading animal waste.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1981, P.L.80, SEC.1; P.L.257-2003, SEC.22.

IC 6-2.5-5-3

Exemption; acquisition for direct use in direct production

Sec. 3. (a) For purposes of this section:

(1) the retreading of tires shall be treated as the processing of tangible personal property; and

(2) commercial printing shall be treated as the production and manufacture of tangible personal property.

(b) Except as provided in subsection (c), transactions involving manufacturing machinery, tools, and equipment are exempt from the state gross retail tax if the person acquiring that property acquires it for direct use in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property.

(c) The exemption provided in subsection (b) does not apply to transactions involving distribution equipment or transmission equipment acquired by a public utility engaged in generating electricity.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.76-1985, SEC.9; P.L.78-1989, SEC.4; P.L.192-2002(ss), SEC.50; P.L.211-2007, SEC.12.

IC 6-2.5-5-4

Property for use in producing machinery, tools, or equipment

Sec. 4. Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property acquires it for his direct use in the direct production of the machinery, tools, or equipment described in section 2 or 3 of this chapter.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-5-5

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-2.5-5-5.1

Exemption; acquisition for direct consumption in direct production; limit on refund claims

Sec. 5.1. (a) As used in this section, "tangible personal property" includes electrical energy, natural or artificial gas, water, steam, and steam heat.

(b) Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property acquires it for direct consumption as a material to be consumed in the direct production of other tangible personal property in the person's business of manufacturing, processing, refining, repairing, mining, agriculture, horticulture, floriculture, or arboriculture. This exemption includes transactions involving acquisitions of tangible personal property used in commercial printing.

(c) A refund claim based on the exemption provided by this section for electrical energy, natural or artificial gas, water, steam, and steam heat may not cover transactions that occur more than thirty-six (36) months before the date of the refund claim.

As added by Acts 1981, P.L.63, SEC.6. Amended by P.L.23-1986, SEC.2; P.L.78-1989, SEC.5; P.L.192-2002(ss), SEC.51; P.L.172-2011, SEC.50; P.L.137-2012, SEC.47.

IC 6-2.5-5-6
Exemption; acquisition for incorporation into product for sale

Sec. 6. Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property acquires it for incorporation as a material part of other tangible personal property which the purchaser manufactures, assembles, refines, or processes for sale in his business. This exemption includes transactions involving acquisitions of tangible personal property used in commercial printing.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.78-1989, SEC.6; P.L.192-2002(ss), SEC.52.

IC 6-2.5-5-7
Materials used in construction business, public street, or utility service

Sec. 7. Transactions involving tangible personal property are exempt from the state gross retail tax if:

(1) the person acquiring the property is in the construction business;

(2) the person acquiring the property acquires it for incorporation as a material or integral part of a public street or of a public water, sewage, or other utility service;

(3) the public street or public utility service into which the property is to be incorporated is required under a subdivision plat, approved and accepted by the appropriate Indiana political subdivision; and

(4) the public street or public utility is to be publicly maintained after its completion.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-5-8
"New motor vehicle"; property acquired for resale, rental, or leasing in course of business; aircraft

Sec. 8. (a) As used in this section, "new motor vehicle" has the meaning set forth in IC 9-13-2-111.

(b) Transactions involving tangible personal property other than a new motor vehicle are exempt from the state gross retail tax if the person acquiring the property acquires it for resale, rental, or leasing in the ordinary course of the person's business without changing the form of the property.

(c) The following transactions involving a new motor vehicle are exempt from the state gross retail tax:

(1) A transaction in which a person that has a franchise in effect at the time of the transaction for the vehicle trade name, trade or service mark, or related characteristics acquires a new motor vehicle for resale, rental, or leasing in the ordinary course of the

person's business.

(2) A transaction in which a person that is a franchisee appointed by a manufacturer or converter manufacturer licensed under IC 9-23 acquires a new motor vehicle that has at least one (1) trade name, service mark, or related characteristic as a result of modification or further manufacture by the manufacturer or converter manufacturer for resale, rental, or leasing in the ordinary course of the person's business.

(3) A transaction in which a person acquires a new motor vehicle for rental or leasing in the ordinary course of the person's business.

(d) The rental or leasing of accommodations to a promoter by a political subdivision (including a capital improvement board) or the state fair commission is not exempt from the state gross retail tax, if the rental or leasing of the property by the promoter is exempt under IC 6-2.5-4-4.

(e) This subsection applies only to aircraft acquired after June 30, 2008. Except as provided in subsection (h), a transaction in which a person acquires an aircraft for rental or leasing in the ordinary course of the person's business is not exempt from the state gross retail tax unless the person establishes, under guidelines adopted by the department in the manner provided in IC 4-22-2-37.1 for the adoption of emergency rules, that the annual amount of the gross lease revenue derived from leasing or rental of the aircraft, which may include revenue from related party transactions, is equal to or greater than seven and five-tenths percent (7.5%) of the:

(1) book value of the aircraft, as published in the Vref Aircraft Value Reference guide for the aircraft; or

(2) net acquisition price for the aircraft.

If a person acquires an aircraft below the Vref Aircraft Value Reference guide book value, the person may appeal to the department for a lower lease or rental threshold equal to the actual acquisition price paid if the person demonstrates that the transaction was completed in a commercially reasonable manner based on the aircraft's age, condition, and equipment. The department may request the person to submit to the department supporting documents showing the aircraft is available for general public lease or rental, copies of business and aircraft insurance policies, and other documents that assist the department in determining if an aircraft is exempt from the state gross retail tax.

(f) A person is required to meet the requirements of subsection (e) until the earlier of the date the aircraft has generated sales tax on leases or rental income that is equal to the amount of the original sales tax exemption or the elapse of thirteen (13) years. If the aircraft is sold by the person before meeting the requirements of this section and before the sale the aircraft was exempt from gross retail tax under subsection (e), the sale of the aircraft shall not result in the assessment or collection of gross retail tax for the period from the date of acquisition to the date of sale by the person.

(g) The person is required to remit the gross retail tax on taxable

lease and rental transactions no matter how long the aircraft is used for lease and rental.

(h) This subsection applies only to aircraft acquired after December 31, 2007. A transaction in which a person acquires an aircraft to rent or lease the aircraft to another person for predominant use in public transportation by the other person or by an affiliate of the other person is exempt from the state gross retail tax. The department may not require a person to meet the revenue threshold in subsection (e) with respect to the person's leasing or rental of the aircraft to receive or maintain the exemption. To maintain the exemption provided under this subsection, the department may require the person to submit only annual reports showing that the aircraft is predominantly used to provide public transportation.

(i) The exemptions allowed under subsections (e) and (h) apply regardless of the relationship, if any, between the person or lessor and the lessee or renter of the aircraft.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.93-1987, SEC.3; P.L.20-1990, SEC.8; P.L.27-2003, SEC.1; P.L.211-2007, SEC.13; P.L.224-2007, SEC.53; P.L.182-2009(ss), SEC.176.

IC 6-2.5-5-9

Returnable containers; nonreturnable packaging

Sec. 9. (a) As used in this section, "returnable containers" means containers customarily returned by the buyer of the contents for reuse as containers.

(b) Sales of returnable containers are exempt from the state gross retail tax if the transaction constitutes selling at retail as defined in IC 6-2.5-4-1 and if the returnable containers contain contents.

(c) Sales of returnable containers are exempt from the state gross retail tax if the containers are transferred empty for the purpose of refilling.

(d) Sales of wrapping material and empty containers are exempt from the state gross retail tax if the person acquiring the material or containers acquires them for use as nonreturnable packages for:

(1) selling the contents that the person adds; or

(2) shipping or delivering tangible personal property that:

(A) is owned by another person;

(B) is processed or serviced for the owner; and

(C) will be sold by that owner either in the same form or as a part of other tangible personal property produced by that owner in the owner's business of manufacturing, assembling, constructing, refining, or processing.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.137-2012, SEC.48.

IC 6-2.5-5-10

Electric or steam utilities; production plant or power production expenses

Sec. 10. Transactions involving tangible personal property are exempt from the state gross retail tax, if:

(1) the property is classified as production plant or power production expenses, according to the uniform system of accounts which was adopted and prescribed for the utility by the Indiana utility regulatory commission; and

(2) the person acquiring the property is:

(A) a public utility that furnishes or sells electrical energy, steam, or steam heat in a retail transaction described in IC 6-2.5-4-5; or

(B) a power subsidiary (as defined in IC 6-2.5-4-5(a)) that furnishes or sells electrical energy, steam, or steam heat to a public utility described in clause (A).

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.23-1988, SEC.8; P.L.71-1993, SEC.6.

IC 6-2.5-5-11

Gas utilities; production or storage plants and expenses

Sec. 11. Transactions involving tangible personal property are exempt from the state gross retail tax, if:

(1) the property is classified as production plant, storage plant, production expenses, or underground storage expenses according to the uniform system of accounts, which was adopted and prescribed for the utility by the Indiana utility regulatory commission; and

(2) the person acquiring the property is a public utility that furnishes or sells natural or artificial gas in a retail transaction described in IC 6-2.5-4-5.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.23-1988, SEC.9; P.L.71-1993, SEC.7.

IC 6-2.5-5-12

Water utilities; plants and expenses

Sec. 12. Transactions involving tangible personal property are exempt from the state gross retail tax if:

(1) the property is classified as source of supply plant and expenses, the pumping plant and expenses, or water treatment plant and expenses according to the uniform system of accounts which was adopted and prescribed for the utility by the Indiana utility regulatory commission; and

(2) the person acquiring the property is a public utility that furnishes or sells water in a retail transaction described in IC 6-2.5-4-5.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.23-1988, SEC.10; P.L.71-1993, SEC.8; P.L.91-1995, SEC.1; P.L.88-2007, SEC.1.

IC 6-2.5-5-12.5

Wastewater utilities; plants and expenses

Sec. 12.5. (a) As used in this section, "collection plant and expenses" includes the following:

(1) Expenditures for collection plant, which include the

following:

(A) Land and land rights.

(B) Structures and improvements.

(C) Power generation equipment.

(D) Collection sewers and special collecting structures.

(E) Receiving wells.

(F) Pumping equipment.

(G) Transportation equipment.

(H) Other collection plant expenditures.

(2) Expenditures for collection expenses, which include the following:

(A) Operation supervision and engineering.

(B) Purchased power or fuel for power production.

(C) Chemicals.

(D) Materials and supplies.

(E) Maintenance supervision and engineering.

(F) Rental of real property or equipment.

(G) Maintenance of power generation equipment.

(H) Maintenance of structures and improvements.

(I) Maintenance of transportation equipment.

(J) Maintenance of collection plant equipment.

(b) As used in this section, "public utility" means a public utility (as defined in IC 8-1-2-1(a)) or any person that contracts with a municipality to operate, manage, or control any plant or equipment owned by the municipality for the collection, treatment, or processing of wastewater.

(c) As used in this section, "system pumping plant and expenses" includes the following:

(1) Expenditures for pumping plant, which include the following:

(A) Land and land rights.

(B) Structures and improvements.

(C) Boiler plant equipment.

(D) Other power production equipment.

(E) Steam pumping equipment.

(F) Electric pumping equipment.

(G) Diesel pumping equipment.

(H) Hydraulic pumping equipment.

(I) Other pumping equipment.

(2) Expenditures for pumping expenses, which include the following:

(A) Operation supervision and engineering.

(B) Fuel for power production.

(C) Power production labor and expenses.

(D) Fuel or power purchased for pumping.

(E) Pumping labor and expenses.

(F) Miscellaneous expenses.

(G) Rents.

(H) Maintenance supervision and engineering.

(I) Maintenance of power production equipment.

(J) Maintenance of pumping equipment.

(d) As used in this section, "treatment and disposal plant and expenses" includes the following:

(1) Expenditures for treatment and disposal plant, which include the following:

(A) Land and land rights.

(B) Structures and improvements.

(C) Power generation equipment.

(D) Pumping equipment.

(E) Flow measuring devices and installations.

(F) Reuse meters and meter installations.

(G) Reuse transmission and distribution systems.

(H) Treatment and disposal equipment.

(I) Sewers and sewer lines.

(J) Transportation equipment.

(2) Expenditures for treatment and disposal expenses, which include the following:

(A) Operation supervision and engineering.

(B) Purchased wastewater treatment.

(C) Sludge removal expenses.

(D) Purchased power or fuel for power production.

(E) Chemicals.

(F) Materials and supplies.

(G) Maintenance supervision and engineering.

(H) Rental of real property or equipment.

(I) Maintenance of power generation equipment.

(J) Maintenance of structures and improvements.

(K) Maintenance of transportation equipment.

(L) Maintenance of treatment and disposal plant equipment.

(e) Transactions involving tangible personal property are exempt from the state gross retail tax if:

(1) the property is classified as collection plant and expenses, treatment and disposal plant and expenses, or system pumping plant and expenses; and

(2) the person acquiring the property is a public utility that collects, treats, or processes wastewater.

As added by P.L.88-2007, SEC.2.

IC 6-2.5-5-13

Intrastate telecommunication services; video, Internet access, or VOIP services; equipment

Sec. 13. Transactions involving tangible personal property are exempt from the state gross retail tax, if:

(1) the property is:

(A) classified as central office equipment, station equipment or apparatus, station connection, wiring, or large private branch exchanges according to the uniform system of accounts which was adopted and prescribed for the utility by the Indiana utility regulatory commission;

(B) mobile telecommunications switching office equipment,

radio or microwave transmitting or receiving equipment, including, without limitation, towers, antennae, and property that perform a function similar to the function performed by any of the property described in clause (A); or

(C) a part of a national, regional, or local headend or similar facility operated by a person furnishing video services, cable radio services, satellite television or radio services, or Internet access services; and

(2) the person acquiring the property:

(A) furnishes or sells intrastate telecommunication service in a retail transaction described in IC 6-2.5-4-6; or

(B) uses the property to furnish:

(i) video services or Internet access services; or

(ii) VOIP services.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.23-1988, SEC.11; P.L.71-1993, SEC.9; P.L.182-2009(ss), SEC.177.

IC 6-2.5-5-14

Public utilities; acquisitions of personal property

Sec. 14. (a) Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property is:

(1) a municipally owned utility;

(2) a utility owned or operated by a special district; or

(3) a public utility owned or operated by a not-for-profit corporation incorporated under:

(A) the Indiana General Not for Profit Corporation Act (Acts 1935, Chapter 157, as amended), notwithstanding its repeal;

(B) the Indiana Not-for-Profit Corporation Act of 1971 (IC 23-7-1.1), notwithstanding its repeal; or

(C) IC 23-17.

(b) The term "public utility owned or operated by a not-for-profit corporation" does not include those public utilities incorporated under Acts 1935, chapter 157, as amended, and which are owned or operated by local district rural electric membership corporations.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1980, P.L.53, SEC.1; P.L.179-1991, SEC.10.

IC 6-2.5-5-15

Repealed

(Repealed by P.L.81-2004, SEC.60.)

IC 6-2.5-5-15.5

Motor vehicles; intrafamilial title transfers

Sec. 15.5. A transaction involving a motor vehicle is exempt from the state gross retail tax, if:

(1) the transaction consists of changing the motor vehicle title to add or delete an individual; and

(2) the individual being added or deleted is the spouse, child, grandparent, parent, or sibling of an owner.

As added by P.L.73-1993, SEC.1.

IC 6-2.5-5-16
State or local government acquisitions

Sec. 16. Transactions involving tangible personal property, accommodations, public utility commodities, and public utility service are exempt from the state gross retail tax, if the person acquiring the property, accommodations, commodities, or service:

(1) is the state of Indiana, an agency or instrumentality of the state, a political subdivision of the state, or an agency or instrumentality of a political subdivision of the state, including a county solid waste management district or a joint solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal); and

(2) predominantly uses the property, accommodations, commodities, or service to perform its governmental functions.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.25-1991, SEC.3; P.L.1-1996, SEC.45; P.L.293-2013(ts), SEC.4.

IC 6-2.5-5-16.5
Repealed

(Repealed by P.L.58-2012, SEC.3.)

IC 6-2.5-5-17
Newspapers

Sec. 17. Sales of newspapers are exempt from the state gross retail tax.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-5-18
Medical equipment, supplies, and devices

Sec. 18. (a) Sales or rentals of durable medical equipment, mobility enhancing equipment, prosthetic devices, artificial limbs, orthopedic devices, dental prosthetic devices, eyeglasses, contact lenses, and other medical supplies and devices are exempt from the state gross retail tax, if the sales or rentals are prescribed by a person licensed to issue the prescription.

(b) Sales of hearing aids are exempt from the state gross retail tax if the hearing aids are fitted or dispensed by a person licensed or registered for that purpose. In addition, sales of hearing aid parts, attachments, or accessories are exempt from the state gross retail tax. For purposes of this subsection, a hearing aid is a device which is worn on the body and which is designed to aid, improve, or correct defective human hearing.

(c) Sales of colostomy bags, ileostomy bags, and the medical equipment, supplies, and devices used in conjunction with those bags are exempt from the state gross retail tax.

(d) Sales of equipment and devices used to administer insulin are exempt from the state gross retail tax.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.257-2003,

SEC.23; P.L.182-2009(ss), SEC.178; P.L.113-2010, SEC.50; P.L.84-2011, SEC.3; P.L.265-2013, SEC.5.

IC 6-2.5-5-19
Drugs; insulin; oxygen; blood or blood plasma

Sec. 19. (a) As used in this section, "legend drug" means a drug as defined in IC 6-2.5-1-17 that is also a legend drug for purposes of IC 16-18-2-199.

(b) As used in this section, "nonlegend drug" means a drug (as defined in IC 6-2.5-1-17) that is not a legend drug.

(c) Sales of legend drugs and sales of nonlegend drugs are exempt from the state gross retail tax if:

(1) a registered pharmacist makes the sale upon the prescription of a practitioner who is licensed to prescribe, dispense, and administer those drugs to human beings or animals in the course of his professional practice; or

(2) the licensed practitioner makes the sales.

(d) Sales of a nonlegend drug are exempt from the state gross retail tax, if:

(1) the nonlegend drug is dispensed upon an original prescription or a drug order (as defined in IC 16-42-19-3); and

(2) the ultimate user of the drug is a person confined to a hospital or health care facility.

(e) Sales of insulin, oxygen, blood, or blood plasma are exempt from the state gross retail tax, if the purchaser purchases the insulin, oxygen, blood, or plasma for medical purposes.

(f) Sales of drugs, insulin, oxygen, blood, and blood plasma are exempt from the state gross retail tax if:

(1) the purchaser is a practitioner licensed to prescribe, dispense, and administer drugs to human beings or animals; and

(2) the purchaser buys the items for:

(A) direct consumption in his practice; or

(B) resale to a patient that the practitioner is treating, in the case of sales of legend or nonlegend drugs.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1981, P.L.81, SEC.1; P.L.19-1994, SEC.4; P.L.257-2003, SEC.24.

IC 6-2.5-5-19.5
Drugs; insulin; oxygen; blood glucose monitoring supply; blood or blood plasma

Sec. 19.5. (a) For purposes of this section, "drug sample" means a legend drug (as defined by IC 16-18-2-199) or a drug composed wholly or partly of insulin or an insulin analog that is furnished without charge.

(b) For purposes of this section, "blood glucose monitoring supply" means blood glucose measuring strips, lancets, and other similar diabetic supplies furnished without charge.

(c) For purposes of this section, "diabetic supply distributor" means a person that primarily sells blood glucose meters for resale and not for retail sale.

(d) Transactions involving the following are exempt from the state gross retail tax:

(1) A drug sample, the packaging and literature for a drug sample, a blood glucose monitoring supply, and the packaging and literature for a blood glucose monitoring supply.

(2) Tangible personal property that will be used as a drug sample or a blood glucose monitoring supply or that will be processed, manufactured, or incorporated into:

(A) a drug sample or a blood glucose monitoring supply; or

(B) the packaging or literature for a drug sample or a blood glucose monitoring supply.

(3) Blood glucose meters and the packaging or literature for a blood glucose meter furnished without charge by a diabetic supply distributor.

As added by P.L.61-1997, SEC.1. Amended by P.L.182-2009(ss), SEC.179; P.L.265-2013, SEC.6; P.L.87-2014, SEC.2.

IC 6-2.5-5-20

"Food and food ingredients for human consumption"

Sec. 20. (a) Sales of food and food ingredients for human consumption are exempt from the state gross retail tax.

(b) For purposes of this section, the term "food and food ingredients for human consumption" includes the following items if sold without eating utensils provided by the seller:

(1) Food sold by a seller whose proper primary NAICS classification is manufacturing in sector 311, except subsector 3118 (bakeries).

(2) Food sold in an unheated state by weight or volume as a single item.

(3) Bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and tortillas.

(c) Except as otherwise provided by subsection (b), for purposes of this section, the term "food and food ingredients for human consumption" does not include:

(1) candy;

(2) alcoholic beverages;

(3) soft drinks;

(4) food sold through a vending machine;

(5) food sold in a heated state or heated by the seller;

(6) two (2) or more food ingredients mixed or combined by the seller for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses);

(7) food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not

include a container or packaging used to transport the food);
(8) tobacco; or
(9) dietary supplements.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.86-1989, SEC.1; P.L.257-2003, SEC.25; P.L.195-2005, SEC.2; P.L.113-2010, SEC.51.

IC 6-2.5-5-21
Exemption; sales of food and food ingredients by nonprofit entities to confined or hospitalized persons

Sec. 21. (a) For purposes of this section, "private benefit or gain" does not include reasonable compensation paid to an employee for work or services actually performed.

(b) Sales of food and food ingredients are exempt from the state gross retail tax if:

(1) the seller meets the filing requirements under subsection (d) and is any of the following:

(A) A fraternity, a sorority, or a student cooperative housing organization that is connected with and under the supervision of a postsecondary educational institution if no part of its income is used for the private benefit or gain of any member, trustee, shareholder, employee, or associate.

(B) Any:

(i) institution;
(ii) trust;
(iii) group;
(iv) united fund;
(v) affiliated agency of a united fund;
(vi) nonprofit corporation;
(vii) cemetery association; or
(viii) organization;

that is organized and operated exclusively for religious, charitable, scientific, literary, educational, or civic purposes if no part of its income is used for the private benefit or gain of any member, trustee, shareholder, employee, or associate.

(C) A group, an organization, or a nonprofit corporation that is organized and operated for fraternal or social purposes, or as a business league or association, and not for the private benefit or gain of any member, trustee, shareholder, employee, or associate.

(D) A:

(i) hospital licensed by the state department of health;
(ii) shared hospital services organization exempt from federal income taxation by Section 501(c)(3) or 501(e) of the Internal Revenue Code;
(iii) labor union;
(iv) church;
(v) monastery;
(vi) convent;
(vii) school that is a part of the Indiana public school

system;

(viii) parochial school regularly maintained by a recognized religious denomination; or

(ix) trust created for the purpose of paying pensions to members of a particular profession or business who created the trust for the purpose of paying pensions to each other;

if the taxpayer is not organized or operated for private profit or gain;

(2) the purchaser is a person confined to the purchaser's home because of age, sickness, or infirmity;

(3) the seller delivers the food and food ingredients to the purchaser; and

(4) the delivery is prescribed as medically necessary by a physician licensed to practice medicine in Indiana.

(c) Sales of food and food ingredients are exempt from the state gross retail tax if the seller is an organization described in subsection (b)(1), and the purchaser is a patient in a hospital operated by the seller.

(d) To obtain the exemption provided by this section, a taxpayer must file an application for exemption with the department not later than one hundred twenty (120) days after the taxpayer's formation. In addition, the taxpayer must file an annual report with the department on or before the fifteenth day of the fifth month following the close of each taxable year. If a taxpayer fails to file the report, the department shall notify the taxpayer of the failure. If within sixty (60) days after receiving such notice the taxpayer does not provide the report, the taxpayer's exemption shall be canceled. However, the department may reinstate the taxpayer's exemption if the taxpayer shows by petition that the failure was due to excusable neglect.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1981, P.L.77, SEC.2; P.L.192-2002(ss), SEC.53; P.L.257-2003, SEC.26; P.L.2-2007, SEC.119; P.L.293-2013(ts), SEC.5.

IC 6-2.5-5-21.5

Medically necessary food

Sec. 21.5. Sales of food and food ingredients prescribed as medically necessary by a physician licensed to practice medicine in Indiana are exempt from the state gross retail tax if:

(1) a registered pharmacist makes the sale upon the prescription of a practitioner who is licensed to practice medicine in Indiana; or

(2) the licensed practitioner makes the sale of the food and food ingredients described in this section.

As added by P.L.19-1994, SEC.5. Amended by P.L.257-2003, SEC.27.

IC 6-2.5-5-22

Exemption; sales of meals; schools; fraternities; sororities; student

cooperatives

Sec. 22. (a) Sales of school meals are exempt from the state gross retail tax if:

(1) the seller is a school containing students in any grade, one (1) through twelve (12);

(2) the purchaser is one (1) of those students or a school employee; and

(3) the school furnishes the food and food ingredients on its premises.

(b) Sales of food and food ingredients by not-for-profit colleges or universities are exempt from the state gross retail tax, if the purchaser is a student at the college or university.

(c) Sales of meals after December 31, 1976, by a fraternity, sorority, or student cooperative housing organization described in section 21(b)(1)(A) of this chapter are exempt from the state gross retail tax, if the purchaser:

(1) is a member of the fraternity, sorority, or student cooperative housing organization; and

(2) is enrolled in the college, university, or educational institution with which the fraternity, sorority, or student cooperative housing organization is connected and by which it is supervised.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1980, P.L.49, SEC.2; Acts 1981, P.L.77, SEC.3; P.L.192-2002(ss), SEC.54; P.L.257-2003, SEC.28.

IC 6-2.5-5-23

School building materials

Sec. 23. Transactions involving tangible personal property are exempt from the state gross retail tax, if the person acquiring the property acquires it for incorporation into a school building which is being constructed by a lessor corporation in accordance with a lease executed under IC 20-47-2 or IC 20-47-3.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.2-2006, SEC.67.

IC 6-2.5-5-24

Exemption; sales to United States government; commercial printing; receipt or collection of taxes; earnings on United States bonds; transactions with another state or foreign country

Sec. 24. (a) Transactions are exempt from the state gross retail tax to the extent that the gross retail income from those transactions is derived from gross receipts that are:

(1) derived from sales to the United States government, to the extent the state is prohibited by the Constitution of the United States from taxing that gross income;

(2) derived from commercial printing that results in printed materials, excluding the business of photocopying, that are shipped, mailed, or delivered outside Indiana;

(3) United States or Indiana taxes received or collected as a

collecting agent explicitly designated as a collecting agent for a tax by statute for the state or the United States;

(4) collections by a retail merchant of a retailer's excise tax imposed by the United States if:

(A) the tax is imposed solely on the sale at retail of tangible personal property;

(B) the tax is remitted to the appropriate taxing authority; and

(C) the retail merchant collects the tax separately as an addition to the price of the property sold;

(5) collections of a manufacturer's excise tax imposed by the United States on motor vehicles, motor vehicle bodies and chassis, parts and accessories for motor vehicles, tires, tubes for tires, or tread rubber and laminated tires, if the excise tax is separately stated by the collecting taxpayer as either an addition to or an inclusion in the price of the property sold; or

(6) amounts represented by an encumbrance of any kind on tangible personal property received by a retail merchant in reciprocal exchange for tangible personal property of like kind.

(b) Transactions are exempt from the state gross retail tax to the extent that the gross retail income from those transactions is derived from gross receipts that are:

(1) interest or other earnings paid on bonds or other securities issued by the United States, to the extent the Constitution of the United States prohibits the taxation of that gross income; or

(2) derived from business conducted in commerce between the state and either another state or a foreign country, to the extent the state is prohibited from taxing that gross income by the Constitution of the United States.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1981, P.L.77, SEC.4; P.L.78-1989, SEC.7; P.L.192-2002(ss), SEC.55.

IC 6-2.5-5-25

Exemption; acquisition for fund raising by nonprofit entity

Sec. 25. (a) Transactions involving tangible personal property, accommodations, or service are exempt from the state gross retail tax, if the person acquiring the property, accommodations, or service:

(1) is an organization described in section 21(b)(1) of this chapter;

(2) primarily uses the property, accommodations, or service to carry on or to raise money to carry on its not-for-profit purpose; and

(3) is not an organization operated predominantly for social purposes.

(b) Transactions involving tangible personal property or service are exempt from the state gross retail tax, if the person acquiring the property or service:

(1) is a fraternity, sorority, or student cooperative housing organization described in section 21(b)(1)(A) of this chapter; and

(2) uses the property or service to carry on its ordinary and usual activities and operations as a fraternity, sorority, or student cooperative housing organization.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1980, P.L.49, SEC.3; Acts 1981, P.L.77, SEC.5; P.L.192-2002(ss), SEC.56; P.L.293-2013(ts), SEC.6.

IC 6-2.5-5-26

Exemption; nonprofit entities; sales for less than 30 days each year; sale for educational, cultural, or religious purpose; sale for professional or workforce education improvement purposes

Sec. 26. (a) Sales of tangible personal property are exempt from the state gross retail tax, if:

(1) the seller is an organization that is described in section 21(b)(1) of this chapter;

(2) the organization makes the sale to make money to carry on a not-for-profit purpose; and

(3) the organization does not make those sales during more than thirty (30) days in a calendar year.

(b) Sales of tangible personal property are exempt from the state gross retail tax, if:

(1) the seller is an organization described in section 21(b)(1) of this chapter;

(2) the seller is not operated predominantly for social purposes;

(3) the property sold is designed and intended primarily either for the organization's educational, cultural, or religious purposes, or for improvement of the work skills or professional qualifications of the organization's members; and

(4) the property sold is not designed or intended primarily for use in carrying on a private or proprietary business.

(c) The exemption provided by this section does not apply to an accredited college or university's sales of books, stationery, haberdashery, supplies, or other property.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1981, P.L.77, SEC.6; P.L.192-2002(ss), SEC.57.

IC 6-2.5-5-27

Exemptions for property and services used for public transportation; temporary taxation of natural gas products used for public transportation

Sec. 27. (a) Except as provided in subsection (b), transactions involving tangible personal property and services are exempt from the state gross retail tax, if the person acquiring the property or service directly uses or consumes it in providing public transportation for persons or property.

(b) Except as provided in subsection (c), a transaction involving a natural gas product (as defined by IC 6-6-2.5-16.5) acquired:

(1) after December 31, 2013, and before January 1, 2017; and

(2) to fuel a motor vehicle used in providing public transportation for persons or property;

is not exempt from the state gross retail tax.

(c) Subsection (b) does not apply to transactions involving a natural gas product purchased by a public transportation corporation to fuel a motor vehicle used to provide public transportation for persons.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.277-2013, SEC.4; P.L.226-2014(ts), SEC.1.

IC 6-2.5-5-27.5
Rolling stock

Sec. 27.5. (a) For purposes of this section, "rolling stock" means rail transportation equipment, including locomotives, box cars, flatbed cars, hopper cars, tank cars, and freight cars of any type or class.

(b) Transactions involving the following tangible personal property are exempt from the gross retail tax:

(1) Rolling stock that is purchased or leased by a person.

(2) All spare, replacement, and rebuilding parts or accessories, components, materials, or supplies, including lubricants and fuels, for rolling stock described in subdivision (1).

As added by P.L.61-1997, SEC.2.

IC 6-2.5-5-28
Repealed

(Repealed by P.L.11-1984, SEC.4.)

IC 6-2.5-5-29
Manufactured homes; industrialized residential structures

Sec. 29. (a) As used in this section:

"Manufactured home" means a manufactured home as that term is defined in 42 U.S.C. 5402(6) as that statute was adopted and in effect on January 1, 1988.

"Industrialized residential structure" means a structure that is both an industrialized building system (as defined in IC 22-12-1-14) and a one (1) or two (2) family private residence.

(b) Sales of manufactured homes or industrialized residential structures are exempt from the state gross retail tax to the extent that the gross retail income from the sales is not attributable to the cost of materials used in manufacturing the manufactured home or industrialized residential structure.

(c) For purposes of this section, the part of the gross retail income not attributable to the cost of materials used in manufacturing a manufactured home or an industrialized residential structure is thirty-five percent (35%) of the gross retail income derived from the sale of the manufactured home or industrialized residential structure.

(d) The gross retail income derived from the sale of a preowned manufactured home is exempt from the state gross retail tax.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.245-1987, SEC.7; P.L.86-1989, SEC.2.

IC 6-2.5-5-30

Environmental quality compliance; manufacturing, mining, agriculture, or recycling

Sec. 30. (a) Sales of tangible personal property are exempt from the state gross retail tax if:

(1) the property constitutes, is incorporated into, or is consumed in the operation of, a device, facility, or structure predominantly used and acquired for the purpose of complying with any state, local, or federal environmental quality statutes, regulations, or standards; and

(2) the person acquiring the property is engaged in the business of manufacturing, processing, refining, mining, recycling (as defined in section 45.8 of this chapter), or agriculture.

(b) The portion of the sales price of tangible personal property which is exempt from state gross retail and use taxes under this section equals the product of:

(1) the total sales price; multiplied by

(2) one hundred percent (100%).

As added by Acts 1980, P.L.53, SEC.2. Amended by P.L.28-1997, SEC.9; P.L.42-2011, SEC.13; P.L.137-2012, SEC.49.

IC 6-2.5-5-31

Free distribution newspaper; related transactions

Sec. 31. (a) As used in this section, "free distribution newspaper" means any community newspaper, shopping paper, shoppers' consumer paper, pennysaver, shopping guide, town crier, dollar stretcher, or other similar publication which:

(1) is distributed to the public on a community-wide basis, free of charge;

(2) is published at stated intervals of at least once a month;

(3) has continuity as to title and general nature of content from issue to issue;

(4) does not constitute a book, either singly or when successive issues are put together;

(5) contains advertisements from numerous unrelated advertisers in each issue;

(6) contains news of general or community interest, community notices, or editorial commentary by different authors, in each issue; and

(7) is not owned by, or under the control of, the owners or lessees of a shopping center, a merchant's association, or a business that sells property or services (other than advertising) whose advertisements for their sales of property or services constitute the predominant advertising in the publication.

(b) The term "free distribution newspaper" does not include mail order catalogs or other catalogs, advertising fliers, travel brochures, house organs, theater programs, telephone directories, restaurant guides, shopping center advertising sheets, and similar publications.

(c) Transactions involving manufacturing machinery, tools and equipment, and other tangible personal property are exempt from the

state gross retail tax if the person acquiring that property acquires it for his direct use, or for his direct consumption as a material to be consumed, in the direct production or publication of a free distribution newspaper, or for incorporation as a material part of a free distribution newspaper published by that person.

(d) Transactions involving a sale of a free distribution newspaper, or of printing services performed in publishing a free distribution newspaper, are exempt from the state gross retail tax if the purchaser is the publisher of the free distribution newspaper.

As added by Acts 1981, P.L.80, SEC.2.

IC 6-2.5-5-33

Tangible personal property purchased with food stamps

Sec. 33. Sales of tangible personal property purchased with food stamps are exempt from the state gross retail tax.

As added by P.L.69-1986, SEC.1.

IC 6-2.5-5-34

Sale of lottery tickets; gross retail tax

Sec. 34. Sales of lottery tickets authorized by IC 4-30 are exempt from the state gross retail tax.

As added by P.L.341-1989(ss), SEC.8.

IC 6-2.5-5-35

Tangible personal property transactions

Sec. 35. (a) Except as provided in subsection (b), transactions involving tangible personal property are exempt from the state gross retail tax if:

(1) the:

(A) person acquires the property to facilitate the service or consumption of food and food ingredients that is not exempted from the state gross retail tax under section 20 of this chapter; and

(B) property is:

(i) used, consumed, or removed in the service or consumption of the food and food ingredients; and

(ii) made unusable for further service or consumption of food and food ingredients after the property's first use for service or consumption of food and food ingredients; or

(2) the:

(A) person acquiring the property is engaged in the business of renting or furnishing rooms, lodgings, or accommodations in a commercial hotel, motel, inn, tourist camp, or tourist cabin; and

(B) property acquired is:

(i) used up, removed, or otherwise consumed during the occupation of the rooms, lodgings, or accommodations by a guest; or

(ii) rendered nonreusable by the property's first use by a guest during the occupation of the rooms, lodgings, or

accommodations.

(b) The exemption provided by subsection (a) does not apply to transactions involving electricity, water, gas, or steam.

As added by P.L.43-1992, SEC.8. Amended by P.L.257-2003, SEC.29; P.L.211-2007, SEC.14.

IC 6-2.5-5-36

Commercial printing contracts

Sec. 36. Transactions involving tangible personal property acquired by a person that has contracted with a commercial printer for printing are exempt from the state gross retail tax, if the property is acquired for use at the commercial printer's premises and the commercial printer could have acquired the property exempt from the state gross retail tax and use tax.

As added by P.L.70-1993, SEC.3.

IC 6-2.5-5-37

Professional motor racing vehicle parts exemption; two-seater Indy car exemption; tires and accessories excluded

Sec. 37. (a) Transactions involving tangible personal property are exempt from the state gross retail tax, if the tangible personal property:

(1) is leased, owned, or operated by a professional racing team; and

(2) comprises any part of a professional motor racing vehicle, excluding tires and accessories.

(b) Transactions involving tangible personal property are exempt from the state gross retail tax, if the tangible personal property:

(1) is leased, owned, or operated by a company that is engaged in offering a competitive racing experience during a competitive racing event; and

(2) comprises any part of a two-seater Indianapolis 500 style race car, excluding tires and accessories.

As added by P.L.19-1994, SEC.6. Amended by P.L.193-2005, SEC.9; P.L.153-2012, SEC.2.

IC 6-2.5-5-38

Repealed

(Repealed by P.L.253-1997(ss), SEC.36.)

IC 6-2.5-5-38.1

Qualified computer equipment sales

Sec. 38.1. (a) As used in this section, "service center" has the meaning set forth in IC 6-3.1-15-3.

(b) As used in this section, "school" means a public or private elementary or secondary school containing students in any grade from grade 1 through grade 12.

(c) As used in this chapter, "qualified computer equipment" has the meaning set forth in IC 6-3.1-15-2.

(d) Sales of qualified computer equipment are exempt from the

state gross retail tax, if:

(1) the seller is a service center or school;

(2) the purchaser is a parent or guardian of a student who is enrolled in a school; and

(3) the qualified computer equipment is sold to the parent or guardian under IC 6-3.1-15-12.

As added by P.L.253-1997(ss), SEC.37.

IC 6-2.5-5-38.2
Vehicle lease transactions

Sec. 38.2. The value of an owned vehicle is exempt from the Indiana gross retail tax in a vehicle lease transaction if the owned vehicle is exchanged for a like kind vehicle.

As added by P.L.253-1997(ss), SEC.38.

IC 6-2.5-5-39
Cargo trailers and recreational vehicles registered for use outside Indiana

Sec. 39. (a) As used in this section, "cargo trailer" means a vehicle:

(1) without motive power;

(2) designed for carrying property;

(3) designed for being drawn by a motor vehicle; and

(4) having a gross vehicle weight rating of at least two thousand two hundred (2,200) pounds.

(b) As used in this section, "recreational vehicle" means a vehicle with or without motive power equipped exclusively for living quarters for persons traveling upon the highways. The term includes a travel trailer, a motor home, a truck camper with a floor and facilities enabling it to be used as a dwelling, and a fifth wheel trailer.

(c) A transaction involving a cargo trailer or a recreational vehicle is exempt from the state gross retail tax if:

(1) the purchaser is a nonresident;

(2) upon receiving delivery of the cargo trailer or recreational vehicle, the person transports it within thirty (30) days to a destination outside Indiana;

(3) the cargo trailer or recreational vehicle will be titled or registered for use in another state or country;

(4) the cargo trailer or recreational vehicle will not be titled or registered for use in Indiana; and

(5) the cargo trailer or recreational vehicle will be titled or registered in a state or country that provides an exemption from sales, use, or similar taxes imposed on a cargo trailer or recreational vehicle that is purchased in that state or country by an Indiana resident and will be titled or registered in Indiana.

A transaction involving a cargo trailer or recreational vehicle that does not meet the requirements of subdivision (5) is not exempt from the state gross retail tax.

(d) A purchaser must claim an exemption under this section by

submitting to the retail merchant an affidavit stating the purchaser's intent to:

(1) transport the cargo trailer or recreational vehicle to a destination outside Indiana within thirty (30) days after delivery; and

(2) title or register the cargo trailer or recreational vehicle for use in another state or country.

The department shall prescribe the form of the affidavit, which must include an affirmation by the purchaser under the penalties for perjury that the information contained in the affidavit is true. The affidavit must identify the state or country in which the cargo trailer or recreational vehicle will be titled or registered.

(e) The department shall provide the information necessary to determine a purchaser's eligibility for an exemption claimed under this section to retail merchants in the business of selling cargo trailers or recreational vehicles.

As added by P.L.195-2005, SEC.3. Amended by P.L.92-2006, SEC.1; P.L.211-2007, SEC.15.

IC 6-2.5-5-40

Research and development property

Sec. 40. (a) As used in this section, "research and development activities" does not include any of the following:

(1) Efficiency surveys.

(2) Management studies.

(3) Consumer surveys.

(4) Economic surveys.

(5) Advertising or promotions.

(6) Research in connection with literary, historical, or similar projects.

(7) Testing for purposes of quality control.

(b) As used in this section, "research and development equipment" means tangible personal property that:

(1) consists of or is a combination of:

(A) laboratory equipment;

(B) computers;

(C) computer software;

(D) telecommunications equipment; or

(E) testing equipment;

(2) has not previously been used in Indiana for any purpose; and

(3) is acquired by the purchaser for the purpose of research and development activities devoted directly to experimental or laboratory research and development for:

(A) new products;

(B) new uses of existing products; or

(C) improving or testing existing products.

(c) As used in this section, "research and development property" means tangible personal property that:

(1) has not previously been used in Indiana for any purpose; and

(2) is acquired by the purchaser for the purpose of research and

development activities devoted to experimental or laboratory research and development for:

(A) new products;

(B) new uses of existing products; or

(C) improving or testing existing products.

(d) A retail transaction:

(1) involving research and development equipment; and

(2) occurring after June 30, 2007, and before July 1, 2013;

is exempt from the state gross retail tax.

(e) A retail transaction:

(1) involving research and development property; and

(2) occurring after June 30, 2013;

is exempt from the state gross retail tax.

(f) The exemption provided by subsection (e) applies regardless of whether the person that acquires the research and development property is a manufacturer or seller of the new or existing products specified in subsection (c)(2).

(g) For purposes of this section, a retail transaction shall be considered as having occurred after June 30, 2013, to the extent that delivery of the property constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2013, to the extent that the agreement of the parties to the transaction is entered into before July 1, 2013, and payment for the property furnished in the transaction is made before July 1, 2013, notwithstanding the delivery of the property after June 30, 2013. This subsection expires January 1, 2017.

As added by P.L.193-2005, SEC.10. Amended by P.L.288-2013, SEC.29.

IC 6-2.5-5-41

Repealed

(Repealed by P.L.182-2009(ss), SEC.462.)

IC 6-2.5-5-42

Aircraft titled, registered, or based outside Indiana

Sec. 42. (a) A transaction involving an aircraft, including completion work (as defined in IC 6-2.5-3-2(f)), is exempt from the state gross retail tax if:

(1) the purchaser is a nonresident;

(2) the purchaser transports the aircraft to a destination outside Indiana within thirty (30) days after:

(A) accepting delivery of the aircraft;

(B) a repair, refurbishment, or remanufacture of the aircraft is completed, if the aircraft remains in Indiana after the purchaser accepts delivery for the purpose of accomplishing the repair, refurbishment, or remanufacture of the aircraft; or

(C) accepting delivery (as defined in IC 6-2.5-3-2(f)) of the aircraft following completion work or a prepurchase evaluation (as defined in IC 6-2.5-3-2(f));

(3) the aircraft is or will be:
(A) titled or registered in another state or country; or
(B) based (as defined in IC 6-6-6.5-1(m)) in that state or country, if a state or country does not require a title or registration for aircraft; and
(4) the aircraft will not be titled or registered in Indiana.

(b) A purchaser must claim an exemption under subsection (a) by submitting to the seller an affidavit affirming the elements required by subsection (a). In addition, the affidavit must identify the state or country in which the aircraft is or will be titled, registered, or based.

(c) Within sixty (60) days after:
(1) a purchaser who claims an exemption under this section accepts delivery of the aircraft; or
(2) a repair, refurbishment, or remanufacture of the aircraft subject to an exemption under this section is completed, if the aircraft remains in Indiana after the purchaser accepts delivery for the purpose of accomplishing the repair, refurbishment, or remanufacture of the aircraft;

the purchaser shall provide the seller with a copy of the purchaser's title or registration of the aircraft outside Indiana. If the state or country in which the aircraft is based does not require the aircraft to be titled or registered, the purchaser shall provide the seller with a copy of the aircraft registration application for the aircraft as filed with the Federal Aviation Administration.

(d) The department shall prescribe the form of the affidavit required by subsection (b).

(e) The amendments made to this section by the act enacted in 2012 shall be interpreted to specify and not to change the general assembly's intent with respect to this section.

As added by P.L.211-2007, SEC.16. Amended by P.L.153-2012, SEC.3.

IC 6-2.5-5-43
Type II gambling games

Sec. 43. Sales of type II gambling games authorized by IC 4-36 are exempt from the state gross retail tax.

As added by P.L.95-2008, SEC.14.

IC 6-2.5-5-44
Sales to city or town for municipal golf course

Sec. 44. Transactions involving tangible personal property are exempt from the state gross retail tax if the property is acquired by a city or town for use in the operation of a municipal golf course.

As added by P.L.113-2010, SEC.52.

IC 6-2.5-5-45
Gross retail and use tax exemption; cigarette and tobacco tax meter machines

Sec. 45. Transactions involving tangible personal property (including excise tax meter machines and related accessories, such

as re-packers, cutters, and supplies) are exempt from the state gross retail tax if the property is acquired:

(1) by a person that is required to affix excise tax stamps under IC 6-7; and

(2) for the exclusive purpose of complying with IC 6-7.

As added by P.L.153-2012, SEC.4; P.L.155-2012, SEC.1.

IC 6-2.5-5-45.8

Recycling and recycling materials

Sec. 45.8. (a) For purposes of this section, IC 6-2.5-4-5, and section 30 of this chapter, the following definitions apply:

(1) "Recycling" means the processing of recycling materials and other tangible personal property into a product for sale if the product is predominantly composed of recycling materials. The term does not include the following:

(A) The demolition of improvements to real estate.

(B) The processing of tangible personal property primarily for disposal in a licensed solid waste disposal facility rather than for sale.

(C) The collection of recycling materials by licensed motor vehicles.

(2) "Recycling materials" means tangible personal property, including metal, paper, glass, plastic, textile, or rubber, that:

(A) is considered "scrap" by industry standards or has no more than scrap value;

(B) is a byproduct of another person's manufacturing or production process;

(C) was previously manufactured or incorporated into a product;

(D) would otherwise reasonably be expected to be destined for disposal in a licensed solid waste disposal facility; or

(E) has been removed or diverted from the solid waste stream for sale, use, or reuse as raw materials, regardless of whether or not the materials require subsequent processing or separation from each other.

(3) "Processing of recycling materials" means:

(A) the activities involved in collecting or otherwise receiving recycling materials and other tangible personal property; and

(B) creating a product for sale by changing the original form, use, or composition of the property (whether manually, mechanically, chemically, or otherwise) through weighing, sorting, grading, separating, shredding, crushing, compacting, breaking, cutting, baling, shearing, torching, wire-stripping, or other means.

(b) Transactions involving machinery, tools, and equipment are exempt from the state gross retail tax if:

(1) the person acquiring that property acquires it for direct use in the direct processing of recycling materials; and

(2) the person acquiring that property is occupationally engaged

in recycling.

(c) Transactions involving recycling materials and other tangible personal property to be consumed in the processing of recycling materials or to become a part of the product produced by the processing of recycling materials are exempt from the state gross retail tax if:

(1) the person acquiring that property acquires it for direct use in the direct processing of recycling materials; and

(2) the person acquiring that property is occupationally engaged in recycling.

As added by P.L.137-2012, SEC.50.

IC 6-2.5-5-46
Aircraft repair and maintenance

Sec. 46. (a) Transactions involving tangible personal property (including materials, parts, equipment, and engines) are exempt from the state gross retail tax, if the property is:

(1) used;

(2) consumed; or

(3) installed;

in furtherance of, or in, the repair, maintenance, refurbishment, remodeling, or remanufacturing of an aircraft or an avionics system of an aircraft.

(b) The exemption provided by this section applies to a transaction only if:

(1) the retail merchant, at the time of the transaction, possesses a valid repair station certificate issued by the Federal Aviation Administration under 14 CFR 145 et seq. or other applicable law or regulation; or

(2) the:

(A) retail merchant has leased a facility at a public use airport for the maintenance of aircraft and meets the public use airport owner's minimum standards for an aircraft maintenance facility; and

(B) work is performed by a mechanic who is certified by the Federal Aviation Administration.

(c) The owner of a public use airport shall annually provide to the department the names of retail merchants that have a lease with the public use airport and that perform aircraft maintenance at the public use airport.

As added by P.L.153-2012, SEC.5. Amended by P.L.288-2013, SEC.30; P.L.166-2014, SEC.10.

IC 6-2.5-5-49
Aviation fuel

Sec. 49. (a) As used in this section, "aviation fuel" refers to:

(1) gasoline used to power an aircraft;

(2) jet fuel; or

(3) a synthetic fuel or fuel derived from any organic matter used as a substitute for a fuel described in subdivision (1) or (2).

(b) A transaction involving aviation fuel is exempt from the state gross retail tax.
As added by P.L.288-2013, SEC.31.

IC 6-2.5-5-49.5
Credit for tax on certain sales of bulk propane; collection allowance

Sec. 49.5. (a) This section applies to a retail merchant engaged in selling bulk propane at retail in Indiana.

(b) A retail merchant shall claim a credit against the state gross retail or use tax on a return filed by the retail merchant under IC 6-2.5-6-1 before June 30, 2014.

(c) The amount of the credit is equal to the result determined under the following STEPS:

STEP ONE: Determine (for each customer to whom the retail merchant sold bulk propane after December 31, 2013, and before April 1, 2014) the greater of zero (0) or the result of:

(A) the amount of state gross retail tax collected by the retail merchant after December 31, 2013, and before April 1, 2014, on the retail sale of bulk propane to the customer; minus

(B) the amount of state gross retail tax that would have been collected by the retail merchant after December 31, 2013, and before April 1, 2014, on the retail sale of bulk propane to the customer if the cost of that bulk propane had been two dollars and fifty cents ($2.50) per gallon.

STEP TWO: Determine the sum of the STEP ONE amounts for all customers of the retail merchant.

(d) A retail merchant that claims a credit under subsection (c) shall provide a credit to each customer of the retail merchant for whom an amount was determined under STEP ONE of subsection (c). The credit is equal to the amount determined under STEP ONE of subsection (c) for that customer. The credit under this subsection shall be applied to the next purchase of bulk propane by the customer from the retail merchant occurring after the retail merchant claims the credit under subsection (b).

(e) In order to compensate retail merchants for administering the credits provided to customers under this section, a retail merchant is entitled to deduct and retain an additional collection allowance from the amount of taxes otherwise required to be remitted by the retail merchant under IC 6-2.5. The amount of the additional collection allowance is equal to:

(1) the amount of the credit claimed by the retail merchant as calculated under subsection (c); multiplied by

(2) one percent (1%).

(f) The department may audit credits claimed by a retail merchant under subsection (c) and the credits provided by a retail merchant under subsection (d).

(g) This section expires December 31, 2017.
As added by P.L.80-2014, SEC.8.

IC 6-2.5-6

Chapter 6. Returns, Remittances, and Refunds

IC 6-2.5-6-0.3

Effect of multiple amendments to section 9 of this chapter

Sec. 0.3. If the general assembly amends section 9 of this chapter in more than one (1) act, the laws shall be read together and interpreted to implement the policies enacted in each act.

As added by P.L.220-2011, SEC.136.

IC 6-2.5-6-1

Returns; reporting period; electronic funds transfer

Sec. 1. (a) Except as otherwise provided in this section, each person liable for collecting the state gross retail or use tax shall file a return for each calendar month and pay the state gross retail and use taxes that the person collects during that month. A person shall file the person's return for a particular month with the department and make the person's tax payment for that month to the department not more than thirty (30) days after the end of that month, if that person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year did not exceed one thousand dollars ($1,000). If a person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year exceeded one thousand dollars ($1,000), that person shall file the person's return for a particular month and make the person's tax payment for that month to the department not more than twenty (20) days after the end of that month.

(b) Instead of the twelve (12) monthly reporting periods required by subsection (a), the department may permit a person to divide a year into a different number of reporting periods. The return and payment for each reporting period is due not more than twenty (20) days after the end of the period.

(c) Instead of the reporting periods required under subsection (a), the department may permit a retail merchant to report and pay the merchant's state gross retail and use taxes for a period covering a calendar year, if the retail merchant's state gross retail and use tax liability in the previous calendar year does not exceed one thousand dollars ($1,000). A retail merchant using a reporting period allowed under this subsection must file the merchant's return and pay the merchant's tax for a reporting period not later than the last day of the month immediately following the close of that reporting period.

(d) If a retail merchant reports the merchant's adjusted gross income tax, or the tax the merchant pays in place of the adjusted gross income tax, over a fiscal year not corresponding to the calendar year, the merchant may, without prior departmental approval, report and pay the merchant's state gross retail and use taxes over the merchant's fiscal year that corresponds to the calendar year the merchant is permitted to use under subsection (c). However, the

department may, at any time, require the retail merchant to stop using the fiscal reporting period.

(e) If the department determines that a person's:

(1) estimated monthly gross retail and use tax liability for the current year; or

(2) average monthly gross retail and use tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the person shall pay the monthly gross retail and use taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(f) A retail merchant shall report and remit state gross retail and use taxes through the department's online tax filing program.

(g) A person:

(1) who has voluntarily registered as a seller under the Streamlined Sales and Use Tax Agreement;

(2) who is not a Model 1, Model 2, or Model 3 seller (as defined in the Streamlined Sales and Use Tax Agreement); and

(3) whose liability for collections of state gross retail and use taxes under this section for the preceding calendar year as determined by the department does not exceed one thousand dollars ($1,000);

is not required to file a monthly gross retail and use tax return.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1982, P.L.49, SEC.1; P.L.70-1986, SEC.1; P.L.92-1987, SEC.2; P.L.63-1988, SEC.3; P.L.28-1997, SEC.11; P.L.185-2001, SEC.2; P.L.177-2002, SEC.10; P.L.192-2002(ss), SEC.58; P.L.153-2006, SEC.5; P.L.211-2007, SEC.17; P.L.131-2008, SEC.10; P.L.182-2009(ss), SEC.180; P.L.137-2012, SEC.51.

IC 6-2.5-6-2

Accounting for tax receipts; option to use accrual basis

Sec. 2. A retail merchant may, without prior departmental approval, report and pay his state gross retail and use taxes on an accrual basis, if he uses the accrual basis to pay and report the adjusted gross income tax or the tax imposed on him in place of the adjusted gross income tax. The department may, at any time, require the retail merchant to stop using the accrual basis.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.192-2002(ss), SEC.59.

IC 6-2.5-6-3

Consolidated filing

Sec. 3. If a retail merchant, wholesaler, or manufacturer holds multiple certificates under IC 6-2.5-8 in order to make retail transactions at more than one (1) store or location, the retail merchant may apply for departmental permission to file a consolidated state gross retail and use tax return for all those stores and locations. If the

department allows the consolidated filing, the retail merchant, wholesaler, or manufacturer must keep sufficient records to allow the department to determine the separate state gross retail and use tax liability for each store or location and to show any information that the department requires on the consolidated return.
As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-6-4
Periodic deposits of collections during reporting period

Sec. 4. If the department feels that a retail merchant is not properly collecting, reporting, or paying the state gross retail and use taxes, the department may require him to make periodic deposits of his collections during his reporting period and to file an informational return with those deposits.
As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-6-5
Final return and payment

Sec. 5. When a retail merchant stops doing a kind of business for which he must file returns under this chapter, he shall file a final state gross retail and use tax return with the department for that part of his business and pay the state gross retail and use taxes collected. The final return and payment are due no later than one (1) month after the date the business stops.
As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-6-6
Coordination with gross income tax

Sec. 6. When possible, the department shall coordinate the reporting and payment of the state gross retail and use taxes with the reporting and payment of the gross income tax.
As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-6-7
Retail merchant; calculation of tax liability

Sec. 7. Except as otherwise provided in IC 6-2.5-7 or in this chapter, a retail merchant shall pay to the department, for a particular reporting period, an amount equal to the product of:

(1) seven percent (7%); multiplied by
(2) the retail merchant's total gross retail income from taxable transactions made during the reporting period.

The amount determined under this section is the retail merchant's state gross retail and use tax liability regardless of the amount of tax the retail merchant actually collects.
As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.2-1982(ss), SEC.3; P.L.192-2002(ss), SEC.60; P.L.146-2008, SEC.311.

IC 6-2.5-6-8
Tax liability; income exclusion ratio

Sec. 8. (a) For purposes of determining the amount of state gross

retail and use taxes which a retail merchant must remit under section 7 of this chapter, the retail merchant may exclude from the retail merchant's gross retail income from retail transactions made during a particular reporting period, an amount equal to the product of:

(1) the amount of that gross retail income; multiplied by

(2) the retail merchant's "income exclusion ratio" for the tax year which contains the reporting period.

(b) A retail merchant's "income exclusion ratio" for a particular tax year equals a fraction, the numerator of which is the retail merchant's estimated total gross retail income for the tax year from unitary retail transactions which produce gross retail income of less than eight cents ($0.08) each, and the denominator of which is the retail merchant's estimated total gross retail income for the tax year from all retail transactions.

(c) In order to minimize a retail merchant's recordkeeping requirements, the department shall prescribe a procedure for determining the retail merchant's income exclusion ratio for a tax year, based on a period of time, not to exceed fifteen (15) consecutive days, during the first quarter of the retail merchant's tax year. However, the period of time may be changed if the change is requested by the retail merchant because of the retail merchant's peculiar accounting procedures or marketing factors. In addition, if a retail merchant has multiple sales locations or diverse types of sales, the department shall permit the retail merchant to determine the ratio on the basis of a representative sampling of the locations and types of sales.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.2-1982(ss), SEC.4; P.L.192-2002(ss), SEC.61; P.L.146-2008, SEC.312.

IC 6-2.5-6-9 Version a

Uncollectible receivables; deduction

Note: This version of section amended by P.L.162-2006, SEC.23. See also following version of this section amended by P.L.184-2006, SEC.2.

Sec. 9. (a) In determining the amount of state gross retail and use taxes which a retail merchant must remit under section 7 of this chapter, the retail merchant shall, subject to subsections (c) and (d), deduct from the retail merchant's gross retail income from retail transactions made during a particular reporting period, an amount equal to the retail merchant's receivables which:

(1) resulted from retail transactions in which the retail merchant did not collect the state gross retail or use tax from the purchaser;

(2) resulted from retail transactions on which the retail merchant has previously paid the state gross retail or use tax liability to the department; and

(3) were written off as an uncollectible debt for federal tax purposes under Section 166 of the Internal Revenue Code during the particular reporting period.

(b) If a retail merchant deducts a receivable under subsection (a)

and subsequently collects all or part of that receivable, then the retail merchant shall, subject to subsection (d)(6), include the amount collected as part of the retail merchant's gross retail income from retail transactions for the particular reporting period in which the retail merchant makes the collection.

(c) This subsection applies only to retail transactions occurring after December 31, 2006. As used in this subsection, "affiliated group" means any combination of the following:

(1) An affiliated group within the meaning provided in Section 1504 of the Internal Revenue Code, except that the ownership percentage in Section 1504(a)(2) of the Internal Revenue Code shall be determined using fifty percent (50%) instead of eighty percent (80%).

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

The right to a deduction under this section is not assignable to an individual or entity that is not part of the same affiliated group as the assignor.

(d) The following provisions apply to a deduction for a receivable treated as uncollectible debt under subsection (a):

(1) The deduction does not include interest.

(2) The amount of the deduction shall be determined in the manner provided by Section 166 of the Internal Revenue Code for bad debts but shall be adjusted to exclude:

(A) financing charges or interest;

(B) sales or use taxes charged on the purchase price;

(C) uncollectible amounts on property that remain in the possession of the seller until the full purchase price is paid;

(D) expenses incurred in attempting to collect any debt; and

(E) repossessed property.

(3) The deduction shall be claimed on the return for the period during which the receivable is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. For purposes of this subdivision, a claimant who is not required to file federal income tax returns may deduct an uncollectible receivable on a return filed for the period in which the receivable is written off as uncollectible in the claimant's books and records and would be eligible for a bad debt deduction for federal income tax purposes if the claimant were required to file a federal income tax return.

(4) If the amount of uncollectible receivables claimed as a deduction by a retail merchant for a particular reporting period exceeds the amount of the retail merchant's taxable sales for that reporting period, the retail merchant may file a refund claim under IC 6-8.1-9. However, the deadline for the refund claim shall be measured from the due date of the return for the reporting period on which the deduction for the uncollectible

receivables could first be claimed.

(5) If a retail merchant's filing responsibilities have been assumed by a certified service provider (as defined in IC 6-2.5-11-2), the certified service provider may claim, on behalf of the retail merchant, any deduction or refund for uncollectible receivables provided by this section. The certified service provider must credit or refund the full amount of any deduction or refund received to the retail merchant.

(6) For purposes of reporting a payment received on a previously claimed uncollectible receivable, any payments made on a debt or account shall be applied first proportionally to the taxable price of the property and the state gross retail tax or use tax thereon, and secondly to interest, service charges, and any other charges.

(7) A retail merchant claiming a deduction for an uncollectible receivable may allocate that receivable among the states that are members of the streamlined sales and use tax agreement if the books and records of the retail merchant support that allocation.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.257-2003, SEC.30; P.L.81-2004, SEC.7; P.L.162-2006, SEC.23.

IC 6-2.5-6-9 Version b
Uncollectible receivables; deduction

Note: This version of section amended by P.L.184-2006, SEC.2. See also preceding version of this section amended by P.L.162-2006, SEC.23.

Sec. 9. (a) In determining the amount of state gross retail and use taxes which a retail merchant must remit under section 7 of this chapter, the retail merchant shall, subject to subsections (c) and (d), deduct from the retail merchant's gross retail income from retail transactions made during a particular reporting period, an amount equal to the retail merchant's receivables which:

(1) resulted from retail transactions in which the retail merchant did not collect the state gross retail or use tax from the purchaser;

(2) resulted from retail transactions on which the retail merchant has previously paid the state gross retail or use tax liability to the department; and

(3) were written off as an uncollectible debt for federal tax purposes under Section 166 of the Internal Revenue Code during the particular reporting period.

(b) If a retail merchant deducts a receivable under subsection (a) and subsequently collects all or part of that receivable, then the retail merchant shall, subject to subsection (d)(6), include the amount collected as part of the retail merchant's gross retail income from retail transactions for the particular reporting period in which the retail merchant makes the collection.

(c) This subsection applies only to retail transactions occurring after June 30, 2007. As used in this subsection, "affiliated group" means any combination of the following:

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

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

The right to a deduction under this section is not assignable to an individual or entity that is not part of the same affiliated group as the assignor.

(d) The following provisions apply to a deduction for a receivable treated as uncollectible debt under subsection (a):

(1) The deduction does not include interest.

(2) The amount of the deduction shall be determined in the manner provided by Section 166 of the Internal Revenue Code for bad debts but shall be adjusted to exclude:

(A) financing charges or interest;

(B) sales or use taxes charged on the purchase price;

(C) uncollectible amounts on property that remain in the possession of the seller until the full purchase price is paid;

(D) expenses incurred in attempting to collect any debt; and

(E) repossessed property.

(3) The deduction shall be claimed on the return for the period during which the receivable is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. For purposes of this subdivision, a claimant who is not required to file federal income tax returns may deduct an uncollectible receivable on a return filed for the period in which the receivable is written off as uncollectible in the claimant's books and records and would be eligible for a bad debt deduction for federal income tax purposes if the claimant were required to file a federal income tax return.

(4) If the amount of uncollectible receivables claimed as a deduction by a retail merchant for a particular reporting period exceeds the amount of the retail merchant's taxable sales for that reporting period, the retail merchant may file a refund claim under IC 6-8.1-9. However, the deadline for the refund claim shall be measured from the due date of the return for the reporting period on which the deduction for the uncollectible receivables could first be claimed.

(5) If a retail merchant's filing responsibilities have been assumed by a certified service provider (as defined in IC 6-2.5-11-2), the certified service provider may claim, on behalf of the retail merchant, any deduction or refund for uncollectible receivables provided by this section. The certified service provider must credit or refund the full amount of any

deduction or refund received to the retail merchant.

(6) For purposes of reporting a payment received on a previously claimed uncollectible receivable, any payments made on a debt or account shall be applied first proportionally to the taxable price of the property and the state gross retail tax or use tax thereon, and secondly to interest, service charges, and any other charges.

(7) A retail merchant claiming a deduction for an uncollectible receivable may allocate that receivable among the states that are members of the streamlined sales and use tax agreement if the books and records of the retail merchant support that allocation.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.257-2003, SEC.30; P.L.81-2004, SEC.7; P.L.184-2006, SEC.2.

IC 6-2.5-6-10

Tax liability; merchant's collection allowance

Sec. 10. (a) In order to compensate retail merchants and those required to remit gasoline use tax for collecting and timely remitting the state gross retail tax, the state use tax, and the gasoline use tax, every retail merchant or person required to remit the gasoline use tax, except as provided in subsection (c), is entitled to deduct and retain from the amount of those taxes otherwise required to be remitted under IC 6-2.5-7-5, IC 6-2.5-3.5, or under this chapter, if timely remitted, a retail merchant's collection allowance.

(b) The allowance equals a percentage of the retail merchant's state gross retail and use tax or the person's gasoline use tax liability accrued during a calendar year, specified as follows:

(1) Seventy-three hundredths percent (0.73%), if the retail merchant's state gross retail and use tax or gasoline use tax liability accrued during the state fiscal year ending on June 30 of the immediately preceding calendar year did not exceed sixty thousand dollars ($60,000).

(2) Fifty-three hundredths percent (0.53%), if the retail merchant's state gross retail and use tax or gasoline use tax liability accrued during the state fiscal year ending on June 30 of the immediately preceding calendar year:

(A) was greater than sixty thousand dollars ($60,000); and

(B) did not exceed six hundred thousand dollars ($600,000).

(3) Twenty-six hundredths percent (0.26%), if the retail merchant's state gross retail and use tax liability or the person's gasoline use tax accrued during the state fiscal year ending on June 30 of the immediately preceding calendar year was greater than six hundred thousand dollars ($600,000).

(c) A retail merchant described in IC 6-2.5-4-5 or IC 6-2.5-4-6 is not entitled to the allowance provided by this section. A retail merchant is not entitled to the allowance provided by this section with respect to gasoline use taxes imposed by IC 6-2.5-3.5.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.71-1993, SEC.10; P.L.28-1997, SEC.12; P.L.192-2002(ss), SEC.62; P.L.211-2007, SEC.18; P.L.146-2008, SEC.313; P.L.227-2013,

SEC.3.

IC 6-2.5-6-11
Heating assistance program; deduction

Sec. 11. A retail merchant who extends assistance to a heating assistance program administered under IC 4-4-33 may deduct from the retail merchant's state gross retail and use tax payment an amount equal to all or part of the aggregate assistance extended by the retail merchant to a heating assistance program administered under IC 4-4-33 during the reporting period for which the state gross retail and use tax payment is made.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.43-1983, SEC.2; P.L.41-1987, SEC.5; P.L.2-1992, SEC.67; P.L.181-2006, SEC.43.

IC 6-2.5-6-12
Security for payment of tax collected

Sec. 12. (a) Whenever the department feels it necessary to insure the payment of the state gross retail or use taxes, the department may require a retail merchant to post security for that payment in any amount not to exceed twice the department's estimate of the retail merchant's quarterly state gross retail and use tax liability.

(b) If necessary to recover any tax, interest, or penalty which the retail merchant owes under this article, the department may sell the security. If the security is in the form of a bearer bond which is issued by a governmental unit and which has a prevailing market price, the department may sell the security at a private sale for not less than that market price. If the security is in any other form, the department shall sell it at a public auction.

(c) Before the department may sell a retail merchant's security, the department shall give the retail merchant notice of the time, place, and date of the sale. The department shall send the notice by certified mail to the retail merchant's most recent address according to the department's records.

(d) If the proceeds of the security sale exceed the tax, interest, and penalties owing, the department shall refund the remainder to the retail merchant.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-6-13
Refund; grounds

Sec. 13. A person is entitled to a refund from the department if:

(1) a retail merchant erroneously or illegally collects state gross retail or use taxes under this article from the person;

(2) the retail merchant remits the taxes to the department;

(3) the retail merchant does not refund the taxes to the person; and

(4) the person properly applies for the refund under the refund provisions contained in IC 6-8.1-9.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.19-1986,

SEC.11; P.L.269-2003, SEC.3; P.L.1-2003, SEC.32; P.L.97-2004, SEC.26.

IC 6-2.5-6-14
Repealed
(Repealed by P.L.97-2004, SEC.133.)

IC 6-2.5-6-14.1
Retail merchant's refund of gross retail or use taxes
Sec. 14.1. Notwithstanding the refund provisions of this article as incorporated from the gross income tax law (IC 6-2.1, repealed), a retail merchant is not entitled to a refund of state gross retail or use taxes unless the retail merchant refunds those taxes to the person from whom they were collected.
As added by P.L.97-2004, SEC.27.

IC 6-2.5-6-14.2
List of retail merchants selling tobacco products
Sec. 14.2. (a) The department shall annually compile a list of retail merchants that sell tobacco products. The list must include the following information:
(1) On a county by county basis:
(A) the name of each retail merchant that sells tobacco products in the county; and
(B) the business address of each location in the county at which a retail merchant sells tobacco products.
(2) The name and business address of each retail merchant that has begun to sell tobacco products since the previous report was compiled.
(3) The name and business address of each retail merchant that has ceased to sell tobacco products since the previous report was compiled.
(b) The department shall deliver each list prepared under this section to:
(1) the division of mental health and addiction; and
(2) the alcohol and tobacco commission.
(c) A retail merchant that sells tobacco products shall provide the department with the information required for the preparation of the list under this section.
(d) The department shall prescribe a form to be used in collecting information under this section from retail merchants that sell tobacco products. A form prescribed under this subsection may be a modified version of an existing form.
As added by P.L.97-2004, SEC.28.

IC 6-2.5-6-15
Repealed
(Repealed by P.L.81-2004, SEC.59.)

IC 6-2.5-6-16

Refund for research and development equipment

Sec. 16. (a) As used in this section, "research and development equipment" has the meaning set forth in IC 6-2.5-5-40.

(b) A person is entitled to a refund equal to fifty percent (50%) of the gross retail tax paid by the person under this article in a retail transaction occurring after June 30, 2005, and before July 1, 2007, to acquire research and development equipment.

(c) To receive the refund provided by this section, a person must claim the refund under IC 6-8.1-9 in the manner prescribed by the department.

As added by P.L.193-2005, SEC.11.

IC 6-2.5-6-17

Payment of gross retail tax for consignment sales

Sec. 17. (a) A retail merchant that is a consignee in a retail transaction shall collect and remit the state gross retail tax on the gross retail income received in a consignment sale.

(b) The retail merchant shall provide the consignor purchaser an invoice that shows that the state gross retail tax was paid to the retail merchant with a clear notation on the invoice that the item was a consignment sale by the retail merchant on behalf of (insert the name of the seller) to (insert the name of the purchaser).

As added by P.L.85-2009, SEC.1.

IC 6-2.5-7

Chapter 7. Collection and Remittance of State Gross Retail Tax on Motor Fuel

IC 6-2.5-7-1

Definitions

Sec. 1. (a) The definitions in this section apply throughout this chapter.

(b) "Kerosene" has the same meaning as the definition contained in IC 16-44-2-2.

(c) "Special fuel" has the same meaning as the definition contained in IC 6-6-2.5-22.

(d) "Unit" means the unit of measure, such as a gallon or a liter, by which special fuel is sold.

(e) "Metered pump" means a stationary pump which is capable of metering the amount of special fuel dispensed from it and which is capable of simultaneously calculating and displaying the price of the special fuel dispensed.

(f) "Indiana special fuel tax" means the tax imposed under IC 6-6-2.5.

(g) "Federal special fuel tax" means the excise tax imposed under Section 4041 or Section 4081 of the Internal Revenue Code.

(h) "Price per unit before the addition of state and federal taxes" means an amount which equals the remainder of:

(1) the total price per unit; minus

(2) the state gross retail, Indiana special fuel, and federal special fuel taxes which are part of the total price per unit.

(i) "Total price per unit" means the price per unit at which special fuel is actually sold, including the state gross retail, Indiana special fuel, and federal special fuel taxes which are part of the sales price.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.81-1983, SEC.1; P.L.94-1987, SEC.1; P.L.277-1993(ss), SEC.41; P.L.222-1999, SEC.1; P.L.122-2006, SEC.2; P.L.176-2006, SEC.1; P.L.1-2007, SEC.52; P.L.227-2013, SEC.4.

IC 6-2.5-7-2

Display of price

Sec. 2. Except as provided in section 2.5 of this chapter, a retail merchant who uses a metered pump to dispense special fuel shall display on the pump the total price per unit of the special fuel. Subject to the provisions of section 2.5 of this chapter, a retail merchant may not advertise the special fuel at a price that is different than the price that the retail merchant is required to display on the metered pump.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.81-1983, SEC.2; P.L.227-2013, SEC.5.

IC 6-2.5-7-2.5

Pumps designated for trucks only; requirements; exception for alternative fuel

Sec. 2.5. (a) This section does not apply to alternative fuel (as defined by IC 6-6-2.5-1) dispensed after December 31, 2013, and before January 1, 2017.

(b) A retail merchant may designate any metered pumps at a business location that dispense special fuel as being "for trucks only". To do this, a retail merchant must place on the pump a sign that states that fuel dispensed from the metered pump may only be placed in the fuel supply tanks of a truck. A sign that reads "TRUCKS ONLY" is sufficient to meet the requirements of this subsection.

(c) A retail merchant may not dispense special fuel from a metered pump that is designated for trucks only into the supply tank of a vehicle that is not a truck.

(d) A retail merchant is not required to display the total price per unit of the special fuel on a metered pump if that particular metered pump is designated for trucks only.

(e) A retail merchant may advertise special fuel at a price that does not include gross retail taxes that may be due on the sale of the special fuel only if the retail merchant maintains a metered pump that is designated for trucks only. If a retail merchant advertises special fuel at a price that does not include any gross retail taxes that may be due on the sale of the special fuel, the retail merchant must display in easily read lettering above or below the advertised price the words "EXEMPT TRUCKS ONLY".

As added by P.L.81-1983, SEC.3. Amended by P.L.277-2013, SEC.5.

IC 6-2.5-7-3

Retail merchant; calculation of tax liability; metered pump sales; kerosene; special fuels

Sec. 3. With respect to the sale of special fuel or kerosene which is dispensed from a metered pump, unless the purchaser provides an exemption certificate in accordance with IC 6-2.5-8-8, a retail merchant shall collect, for each unit of special fuel or kerosene sold, state gross retail tax in an amount equal to the product, rounded to the nearest one-tenth of one cent ($0.001), of:

(1) the price per unit before the addition of state and federal taxes; multiplied by

(2) seven percent (7%).

Unless the exemption certificate is provided, the retail merchant shall collect the state gross retail tax prescribed in this section even if the transaction is exempt from taxation under IC 6-2.5-5.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.2-1982(ss), SEC.5; P.L.81-1983, SEC.4; P.L.80-1983, SEC.2; P.L.11-1984, SEC.2; P.L.222-1999, SEC.2; P.L.192-2002(ss), SEC.63; P.L.146-2008, SEC.314; P.L.227-2013, SEC.6.

IC 6-2.5-7-4

Exempt transactions; refunds; procedures

Sec. 4. (a) If a sale of special fuel is exempt from the state gross retail tax, the person who pays the tax to the retail merchant may file

a claim for refund with the department. The person must file the claim on the form, in the manner, and with the supporting documentation, prescribed by the department. If a person properly files a claim for refund, the department shall refund to the person the state gross retail tax collected with respect to the exempt transaction.

(b) Notwithstanding the other provisions of this section, the department may prescribe simplified procedures to make adjustments for exempt transactions.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.81-1983, SEC.5; P.L.227-2013, SEC.7.

IC 6-2.5-7-5

Reports by special fuel retail merchants; remitted tax amount; deduction of prepayment amounts

Sec. 5. (a) Each retail merchant who dispenses special fuel from a metered pump shall, in the manner prescribed in IC 6-2.5-6, report to the department the following information:

(1) The total number of gallons of special fuel sold from a metered pump during the period covered by the report.

(2) The total amount of money received from the sale of special fuel during the period covered by the report.

(3) That portion of the amount described in subdivision (2) that represents state and federal taxes imposed under this article, IC 6-6-2.5, or Section 4041 or Section 4081 of the Internal Revenue Code.

(b) Concurrently with filing the report, the retail merchant shall remit the state gross retail tax in an amount which equals six and fifty-four hundredths percent (6.54%) of the gross receipts, including state gross retail taxes but excluding Indiana and federal special fuel taxes, received by the retail merchant from the sale of the special fuel that is covered by the report and on which the retail merchant was required to collect state gross retail tax. The retail merchant shall remit that amount regardless of the amount of state gross retail tax which the merchant has actually collected under this chapter. However, the retail merchant is entitled to deduct and retain the amounts prescribed in subsection (c), IC 6-2.5-6-10, and IC 6-2.5-6-11.

(c) A retail merchant is entitled to deduct from the amount of state gross retail tax required to be remitted under subsection (b) an amount equal to:

(1) the sum of the prepayment amounts made during the period covered by the retail merchant's report; minus

(2) the sum of prepayment amounts collected by the retail merchant, in the merchant's capacity as a qualified distributor, during the period covered by the retail merchant's report.

For purposes of this section, a prepayment of the gross retail tax is presumed to occur on the date on which it is invoiced.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1980, P.L.10, SEC.2; P.L.2-1982(ss), SEC.6; P.L.81-1983, SEC.6; P.L.80-1983, SEC.3; P.L.11-1984, SEC.3; P.L.94-1987, SEC.2;

P.L.277-1993(ss), SEC.42; P.L.192-2002(ss), SEC.64; P.L.122-2006, SEC.3; P.L.182-2007, SEC.1; P.L.146-2008, SEC.315; P.L.148-2009, SEC.2; P.L.98-2012, SEC.1; P.L.293-2013(ts), SEC.7; P.L.227-2013, SEC.8; P.L.2-2014, SEC.29.

IC 6-2.5-7-5.5 Repealed

(*Repealed by P.L.148-2009, SEC.11.)*

IC 6-2.5-7-6
Repealed

(*Repealed by P.L.98-2012, SEC.2.)*

IC 6-2.5-7-6.5
Credit for prepayments exceeds liability; refund procedure

Sec. 6.5. (a) If the deduction under section 5(c) of this chapter exceeds the amount of gross retail tax required to be remitted under section 5(b) of this chapter, the retail merchant is entitled to a credit. The credit shall be used as follows:

(1) First, the credit shall be applied against gross retail and use tax liability of the retail merchant that is required to be remitted under IC 6-2.5-6.

(2) Second, any amount remaining shall be applied against the gasoline tax liability of the retail merchant, as determined under IC 6-6-1.1, excluding any liability for gasoline delivered to a taxable marine facility.

A retail merchant may file a claim for a refund instead of taking a credit or for a refund of any excess tax payment remaining after the credits allowed by this section. In addition, a retail merchant may file a claim for a refund under section 12 of this chapter.

(b) A retail merchant that is entitled to a refund under this section must file a claim for the refund on the refund claim form approved by the department and must include any supporting documentation reasonably required by the department. If a retail merchant files a completed refund claim form that includes all supporting documentation, the excess tax payment that is not refunded within ninety (90) days accrues interest as provided in IC 6-8.1-9-2.

(c) Before the fifth day of each month, the department shall determine and notify the treasurer of state of the amount of credits applied during the preceding month against the gasoline tax under this section. The treasurer of state shall transfer from the general fund:

(1) to the highway, road and street fund, twenty-five percent (25%) of the amount set forth in the department's notice; and

(2) to the motor fuel tax fund of the motor vehicle highway account, seventy-five percent (75%) of the amount set forth in the department's notice.

As added by P.L.293-2013(ts), SEC.8.

IC 6-2.5-7-7
Repealed

(*Repealed by P.L.227-2013, SEC.9.)*

IC 6-2.5-7-8
Repealed
(*Repealed by P.L.227-2013, SEC.10.)*

IC 6-2.5-7-9
Repealed
(*Repealed by P.L.227-2013, SEC.11.)*

IC 6-2.5-7-10
Repealed
(*Repealed by P.L.227-2013, SEC.12.)*

IC 6-2.5-7-11
Repealed
(*Repealed by P.L.227-2013, SEC.13.)*

IC 6-2.5-7-12 Version a
Exempt purchases from distributor; report; refund

Note: This version of section amended by P.L.293-2013(ts), SEC.9. See also following repeal of this section by P.L.227-2013, SEC.14, effective 7-1-2014.

Sec. 12. (a) Except as provided in subsection (b), a distributor that prepays the state gross retail tax under this chapter shall separately state the amount of tax prepaid on the invoice the distributor issues to its purchaser or recipient. The purchaser or recipient shall pay to the distributor an amount equal to the prepaid tax.

(b) A distributor that:

(1) prepays the state gross retail tax under this chapter;

(2) is a retail merchant; and

(3) sells gasoline that is exempt from the gross retail tax, as evidenced by a purchaser's exemption certificate issued by the department;

may not require the exempt purchaser to pay the gross retail taxes prepaid in the gasoline sold to the exempt purchaser. A distributor that has prepaid gross retail taxes and has not been reimbursed because the gasoline is sold to an exempt purchaser may file a claim for a refund (in addition to any claim for a refund filed under section 6.5 of this chapter), if the amount of unreimbursed prepaid gross retail taxes exceeds five hundred dollars ($500). A claim for a refund must be on the form approved by the department and include all supporting documentation reasonably required by the department. If a distributor files a completed refund claim form that includes all supporting documentation, the department shall authorize the auditor of state to issue a warrant for the refund.

As added by P.L.94-1987, SEC.9. Amended by P.L.98-2012, SEC.3; P.L.293-2013(ts), SEC.9.

IC 6-2.5-7-12 Version b

Repealed

(*Repealed by P.L.227-2013, SEC.14.)*

Note: This version of section repealed by P.L.227-2013, SEC.14, effective 7-1-2014. See also preceding version of this section amended by P.L.293-2013(ts), SEC.9.

IC 6-2.5-7-13

Repealed

(*Repealed by P.L.227-2013, SEC.15.)*

IC 6-2.5-7-14

Repealed

(*Repealed by P.L.227-2013, SEC.16.)*

IC 6-2.5-7-15

Repealed

(*Repealed by P.L.227-2013, SEC.17.)*

IC 6-2.5-8
Chapter 8. Registration

IC 6-2.5-8-0.3
Intent of general assembly adding sections 8.5 and 11 of this chapter

Sec. 0.3. It is the intent of the general assembly that the addition of sections 8.5 and 11 of this chapter by P.L.70-1993 be construed liberally in favor of persons, corporations, partnerships, or other entities contracting with commercial printers.
As added by P.L.220-2011, SEC.137.

IC 6-2.5-8-1
Registered retail merchant's certificate

Sec. 1. (a) A retail merchant may not make a retail transaction in Indiana, unless the retail merchant has applied for a registered retail merchant's certificate.

(b) A retail merchant may obtain a registered retail merchant's certificate by filing an application with the department and paying a registration fee of twenty-five dollars ($25) for each place of business listed on the application. The retail merchant shall also provide such security for payment of the tax as the department may require under IC 6-2.5-6-12.

(c) The retail merchant shall list on the application the location (including the township) of each place of business where the retail merchant makes retail transactions. However, if the retail merchant does not have a fixed place of business, the retail merchant shall list the retail merchant's residence as the retail merchant's place of business. In addition, a public utility may list only its principal Indiana office as its place of business for sales of public utility commodities or service, but the utility must also list on the application the places of business where it makes retail transactions other than sales of public utility commodities or service.

(d) Upon receiving a proper application, the correct fee, and the security for payment, if required, the department shall issue to the retail merchant a separate registered retail merchant's certificate for each place of business listed on the application. Each certificate shall bear a serial number and the location of the place of business for which it is issued.

(e) If a retail merchant intends to make retail transactions during a calendar year at a new Indiana place of business, the retail merchant must file a supplemental application and pay the fee for that place of business.

(f) Except as provided in subsection (h), a registered retail merchant's certificate is valid for two (2) years after the date the registered retail merchant's certificate is originally issued or renewed. If the retail merchant has filed all returns and remitted all taxes the retail merchant is currently obligated to file or remit, the department shall renew the registered retail merchant's certificate within thirty (30) days after the expiration date, at no cost to the retail merchant.

(g) The department may not renew a registered retail merchant certificate of a retail merchant who is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4 or sales or use tax. The department, at least sixty (60) days before the date on which a retail merchant's registered retail merchant's certificate expires, shall notify a retail merchant who is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4 or sales or use tax that the department will not renew the retail merchant's registered retail merchant's certificate.

(h) If:

(1) a retail merchant has been notified by the department that the retail merchant is delinquent in remitting withholding taxes or sales or use tax in accordance with subsection (g); and

(2) the retail merchant pays the outstanding liability before the expiration of the retail merchant's registered retail merchant's certificate;

the department shall renew the retail merchant's registered retail merchant's certificate for one (1) year.

(i) A retail merchant engaged in business in Indiana as defined in IC 6-2.5-3-1(c) who makes retail transactions that are only subject to the use tax must obtain a registered retail merchant's certificate before making those transactions. The retail merchant may obtain the certificate by following the same procedure as a retail merchant under subsections (b) and (c), except that the retail merchant must also include on the application:

(1) the names and addresses of the retail merchant's principal employees, agents, or representatives who engage in Indiana in the solicitation or negotiation of the retail transactions;

(2) the location of all of the retail merchant's places of business in Indiana, including offices and distribution houses; and

(3) any other information that the department requests.

(j) The department may permit an out-of-state retail merchant to collect the use tax. However, before the out-of-state retail merchant may collect the tax, the out-of-state retail merchant must obtain a registered retail merchant's certificate in the manner provided by this section. Upon receiving the certificate, the out-of-state retail merchant becomes subject to the same conditions and duties as an Indiana retail merchant and must then collect the use tax due on all sales of tangible personal property that the out-of-state retail merchant knows is intended for use in Indiana.

(k) Except as provided in subsection (l), the department shall submit to the township assessor, or the county assessor if there is no township assessor for the township, before July 15 of each year:

(1) the name of each retail merchant that has newly obtained a registered retail merchant's certificate between March 2 of the preceding year and March 1 of the current year for a place of business located in the township or county; and

(2) the address of each place of business of the taxpayer in the township or county.

(l) If the duties of the township assessor have been transferred to

the county assessor as described in IC 6-1.1-1-24, the department shall submit the information listed in subsection (k) to the county assessor.
As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1982, P.L.50, SEC.1; P.L.42-1984, SEC.4; P.L.57-1985, SEC.2; P.L.2-1997, SEC.23; P.L.111-2006, SEC.1; P.L.219-2007, SEC.91; P.L.146-2008, SEC.316; P.L.172-2011, SEC.51; P.L.293-2013(ts), SEC.10.

IC 6-2.5-8-2
Repealed
(Repealed by P.L.158-1986, SEC.8.)

IC 6-2.5-8-3
Manufacturer's or wholesaler's certificate
Sec. 3. (a) A manufacturer or wholesaler may register with the department as a purchaser of property in exempt transactions. A manufacturer or wholesaler wishing to register must apply in the same manner and pay the same fee as a retail merchant under section 1 of this chapter.
(b) Upon receiving the application and fee, the department may issue a manufacturer's or wholesaler's certificate for each place of business listed on the application. Each certificate shall contain a serial number and the location of the place of business for which it is issued.
As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-8-4
Exempt organizations; certificate
Sec. 4. (a) An organization, exempt from the state gross retail tax under IC 6-2.5-5-21, IC 6-2.5-5-25, or IC 6-2.5-5-26, may register with the department as a purchaser of property in exempt transactions. An exempt organization wishing to register must file an application listing its principal location, but the organization is not required to pay the fee.
(b) Upon receiving the application, the department may issue an exempt organization certificate containing a serial number and the principal location of the exempt organization.
As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-8-5
Duration of certificate
Sec. 5. A certificate issued under section 3 or 4 of this chapter is valid so long as the business or exempt organization is in existence.
As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1982, P.L.50, SEC.2; P.L.111-2006, SEC.2.

IC 6-2.5-8-6
Outstanding tax warrants; prohibition
Sec. 6. The department may not issue a certificate under this

chapter, if that issuance is prohibited under IC 6-8.1-3-16.
As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.332-1989(ss), SEC.15.

IC 6-2.5-8-7
Revocation of certificate; payment by check, credit card, debit card, or electronic fund transfer; notice; reinstatement

Sec. 7. (a) The department may, for good cause, revoke a certificate issued under section 1, 3, or 4 of this chapter. However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate under this subsection. Good cause for revocation may include the following:

(1) Sale or solicitation of a sale involving a synthetic drug (as defined in IC 35-31.5-2-321) or a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5).

(2) Failure to collect sales tax on a sale involving a synthetic drug or a synthetic drug lookalike substance.

If the department gives notice of an intent to revoke based on an alleged violation of subdivision (1) or (2), the department shall hold a public hearing to determine whether good cause exists. If the department finds in a public hearing by a preponderance of the evidence that a person has committed a violation described in subdivision (1) or (2), the department shall proceed in accordance with subsection (i) (if the violation resulted in a criminal conviction) or subsection (j) (if the violation resulted in a judgment for an infraction).

(b) The department shall revoke a certificate issued under section 1, 3, or 4 of this chapter if, for a period of three (3) years, the certificate holder fails to:

(1) file the returns required by IC 6-2.5-6-1; or

(2) report the collection of any state gross retail or use tax on the returns filed under IC 6-2.5-6-1.

However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate.

(c) The department may, for good cause, revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if:

(1) the certificate holder is subject to an innkeeper's tax under IC 6-9; and

(2) a board, bureau, or commission established under IC 6-9 files a written statement with the department.

(d) The statement filed under subsection (c) must state that:

(1) information obtained by the board, bureau, or commission under IC 6-8.1-7-1 indicates that the certificate holder has not complied with IC 6-9; and

(2) the board, bureau, or commission has determined that significant harm will result to the county from the certificate holder's failure to comply with IC 6-9.

(e) The department shall revoke or suspend a certificate issued under section 1 of this chapter after at least five (5) days notice to the

certificate holder if:

(1) the certificate holder owes taxes, penalties, fines, interest, or costs due under IC 6-1.1 that remain unpaid at least sixty (60) days after the due date under IC 6-1.1; and

(2) the treasurer of the county to which the taxes are due requests the department to revoke or suspend the certificate.

(f) The department shall reinstate a certificate suspended under subsection (e) if the taxes and any penalties due under IC 6-1.1 are paid or the county treasurer requests the department to reinstate the certificate because an agreement for the payment of taxes and any penalties due under IC 6-1.1 has been reached to the satisfaction of the county treasurer.

(g) The department shall revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if the department finds in a public hearing by a preponderance of the evidence that the certificate holder has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.

(h) If a person makes a payment for the certificate under section 1 or 3 of this chapter with a check, credit card, debit card, or electronic funds transfer, and the department is unable to obtain payment of the check, credit card, debit card, or electronic funds transfer for its full face amount when the check, credit card, debit card, or electronic funds transfer is presented for payment through normal banking channels, the department shall notify the person by mail that the check, credit card, debit card, or electronic funds transfer was not honored and that the person has five (5) days after the notice is mailed to pay the fee in cash, by certified check, or other guaranteed payment. If the person fails to make the payment within the five (5) day period, the department shall revoke the certificate.

(i) If the department finds in a public hearing by a preponderance of the evidence that a person has a conviction for a violation of IC 35-48-4-10.5 and the conviction involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:

(1) shall suspend the registered retail merchant certificate for the place of business for one (1) year; and

(2) may not issue another retail merchant certificate under section 1 of this chapter for one (1) year to any person:

(A) that:

(i) applied for; or

(ii) made a retail transaction under;

the retail merchant certificate suspended under subdivision (1); or

(B) that:

(i) owned or co-owned, directly or indirectly; or

(ii) was an officer, a director, a manager, or a partner of;

the retail merchant that was issued the retail merchant

certificate suspended under subdivision (1).

(j) If the department finds in a public hearing by a preponderance of the evidence that a person has a judgment for a violation of IC 35-48-4-10.5 as an infraction and the violation involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:

(1) may suspend the registered retail merchant certificate for the place of business for six (6) months; and

(2) may withhold issuance of another retail merchant certificate under section 1 of this chapter for six (6) months to any person:

(A) that:

(i) applied for; or

(ii) made a retail transaction under;

the retail merchant certificate suspended under subdivision (1); or

(B) that:

(i) owned or co-owned, directly or indirectly; or

(ii) was an officer, a director, a manager, or a partner of;

the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1982, P.L.50, SEC.3; P.L.65-1988, SEC.1; P.L.46-1991, SEC.7; P.L.88-1995, SEC.10; P.L.227-2007, SEC.58; P.L.172-2011, SEC.52; P.L.78-2012, SEC.2; P.L.13-2013, SEC.21; P.L.196-2013, SEC.2.

IC 6-2.5-8-8

Exemption certificates

Sec. 8. (a) A person, authorized under subsection (b), who makes a purchase in a transaction which is exempt from the state gross retail and use taxes, may issue an exemption certificate to the seller instead of paying the tax. The person shall issue the certificate on forms and in the manner prescribed by the department. A seller accepting a proper exemption certificate under this section has no duty to collect or remit the state gross retail or use tax on that purchase.

(b) The following are the only persons authorized to issue exemption certificates:

(1) retail merchants, wholesalers, and manufacturers, who are registered with the department under this chapter;

(2) organizations which are exempt from the state gross retail tax under IC 6-2.5-5-21, IC 6-2.5-5-25, or IC 6-2.5-5-26 and which are registered with the department under this chapter; and

(3) other persons who are exempt from the state gross retail tax with respect to any part of their purchases.

(c) The department may also allow a person to issue a blanket exemption certificate to cover exempt purchases over a stated period of time. The department may impose conditions on the use of the

blanket exemption certificate and restrictions on the kind or category of purchases that are exempt.

(d) A seller that accepts an incomplete exemption certificate under subsection (a) is not relieved of the duty to collect gross retail or use tax on the sale unless the seller obtains:

(1) a fully completed exemption certificate; or

(2) the relevant data to complete the exemption certificate;

within ninety (90) days after the sale.

(e) If a seller has accepted an incomplete exemption certificate under subsection (a) and the department requests that the seller substantiate the exemption, within one hundred twenty (120) days after the department makes the request the seller shall:

(1) obtain a fully completed exemption certificate; or

(2) prove by other means that the transaction was not subject to state gross retail or use tax.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.145-2007, SEC.8.

IC 6-2.5-8-8.5

Commercial printing sales

Sec. 8.5. A commercial printer is not required to collect or remit the state gross retail or use tax from a customer that has no duty to register as a retail merchant under this article, if the customer furnishes the commercial printer with a statement declaring that the tangible personal property sold by the commercial printer to the customer will be resold in the ordinary course of the customer's business without changing the form of the property.

As added by P.L.70-1993, SEC.4.

IC 6-2.5-8-9

Direct payment permit

Sec. 9. (a) A retail merchant, manufacturer, or wholesaler who is registered under this chapter may apply for a direct payment permit. The department may issue the permit subject to such conditions as it deems reasonable. A permit issued under this subsection does not expire and is valid unless revoked under subsection (c).

(b) A person who possesses a direct payment permit may, at the time of a retail transaction, issue a direct payment certificate to a retail merchant instead of paying the state gross retail or use tax to that merchant. If the person issues a direct payment certificate, the person must then pay the tax on that purchase directly to the department. A retail merchant who receives a direct payment certificate has no duty to collect or remit the state gross retail or use tax on that transaction.

(c) The department may revoke a direct payment certificate, without cause, at any time.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.87-1989, SEC.1.

IC 6-2.5-8-10

Repealed

(Repealed by P.L.211-2007, SEC.49.)

IC 6-2.5-8-11

Commercial printing contracts

Sec. 11. Notwithstanding any other provision of this article, the following shall not cause a person that has contracted with a commercial printer for printing to have a duty to register as a retail merchant or to collect or remit the state gross retail or use tax imposed by this article:

(1) The ownership or leasing by that person of tangible or intangible property located at the Indiana premises of the commercial printer.

(2) The sale by that person of property of any kind produced at and shipped or distributed from the Indiana premises of the commercial printer.

(3) The activities of any kind performed by or on behalf of that person at the Indiana premises of the commercial printer.

(4) The activities of any kind performed by the commercial printer in Indiana for or on behalf of that person.

As added by P.L.70-1993, SEC.5.

IC 6-2.5-8-12

Contract with call center operator; effect on duty to collect tax

Sec. 12. (a) Notwithstanding any other provision of this article, the following do not cause a person that has contracted with a call center operator for a telephone service to have a duty to register as a retail merchant or to collect or remit the state gross retail or use tax imposed by this article:

(1) The ownership or leasing by the person of tangible or intangible property that is:

(A) located at the Indiana premises of the call center operator;

(B) used to provide or assist directly with the provision of a telephone service as described in subsection (c); and

(C) not held for sale, shipment, or distribution in response to orders received as a result of a telephone service provided by the call center operator.

(2) The activities of any kind performed by or on behalf of the person at the Indiana premises of the call center operator.

(3) The activities of any kind performed by the call center operator in Indiana for or on behalf of the person.

(b) Tangible or intangible property that is:

(1) owned or leased by a person that has contracted with a call center operator for a telephone service;

(2) located at the premises of the call center operator;

(3) used to provide or assist directly with the provision of a telephone service as described in subsection (c); and

(4) not held for sale, shipment, or distribution in response to orders received as a result of a telephone service provided by

the call center operator;

shall not be considered to be, or to create, an office, a place of distribution, a sales location, a sample location, a warehouse, a storage place, or other place of business maintained, occupied, or used in any way by the person. For purposes of this section, a call center operator with which a person has contracted for a telephone service shall not be considered to be in any way a representative, an agent, a salesman, a canvasser, or a solicitor for the person.

(c) For purposes of this section, a telephone service includes soliciting orders by telephone, accepting orders by telephone, and making and receiving any other telephone calls.

As added by P.L.65-2003, SEC.1.

IC 6-2.5-9

Chapter 9. Enforcement and Penalties

IC 6-2.5-9-1

Exemption certificates; unlawful issuance or acceptance; offenses

Sec. 1. (a) A person who issues an exemption certificate, with the intention of unlawfully avoiding the payment of the state gross retail or use tax, commits a Class B misdemeanor.

(b) A person who accepts an exemption certificate with the intention of helping the issuer unlawfully avoid paying the state gross retail or use tax, commits a Class B misdemeanor.

As added by Acts 1980, P.L.52, SEC.1.

IC 6-2.5-9-2

Failure to register or renew registration; transaction after revocation or suspension of certificate; offense

Sec. 2. A retail merchant who makes a retail transaction without having applied for or obtained a registered retail merchant's certificate or a renewal of a registered retail merchant's certificate or after the retail merchant's certificate has been revoked or suspended by the department commits a Class A misdemeanor.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.26-1985, SEC.6; P.L.293-2013(ts), SEC.11.

IC 6-2.5-9-3

Personal liability of holder of taxes in trust; failure to collect or remit; offense

Sec. 3. An individual who:

(1) is an individual retail merchant or is an employee, officer, or member of a corporate or partnership retail merchant; and

(2) has a duty to remit state gross retail or use taxes (as described in IC 6-2.5-3-2) to the department;

holds those taxes in trust for the state and is personally liable for the payment of those taxes, plus any penalties and interest attributable to those taxes, to the state. If the individual knowingly fails to collect or remit those taxes to the state, the individual commits a Level 6 felony.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.26-1985, SEC.7; P.L.6-1987, SEC.6; P.L.18-1994, SEC.7; P.L.158-2013, SEC.84.

IC 6-2.5-9-4

Inclusion of tax in displayed prices; offer to assume or absorb tax; unlawful price advertising; offenses

Sec. 4. (a) Except as provided in IC 6-2.5-7, a person who:

(1) displays an advertised price, marked price, or publicly stated price that includes the state gross retail or use taxes;

(2) offers to assume or absorb part of a customer's state gross retail or use tax on a sale; or

(3) offers to refund part of a customer's state gross retail or use

tax as a part of a sale;

commits a Class B infraction.

(b) A retail merchant who:

(1) uses a metered pump to dispense gasoline or special fuel;

(2) is required to display on the pump the total price per unit of the gasoline or special fuel under IC 6-2.5-7-2; and

(3) advertises the gasoline or special fuel at a price other than that required by IC 6-2.5-7-2;

commits a Class B infraction.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.81-1983, SEC.7.

IC 6-2.5-9-5

Repealed

(Repealed by Acts 1981, P.L.63, SEC.7.)

IC 6-2.5-9-6

Vehicle and watercraft title or aircraft registration; payment of taxes requisite; offenses

Sec. 6. (a) The state may not title a vehicle or a watercraft or register an aircraft unless the person obtaining the title or registration:

(1) presents proper evidence, prescribed by the department, showing that the state gross retail and use taxes imposed in respect to the vehicle, watercraft, or aircraft have been paid or that the state gross retail and use taxes are inapplicable because of an exemption; or

(2) files the proper form and pays the state gross retail and use taxes imposed in respect to the vehicle, watercraft, or aircraft.

(b) A person who:

(1) is a purchaser of a vehicle, aircraft, or watercraft;

(2) is required to pay the state gross retail or use tax to the department, through the bureau of motor vehicles, Indiana department of transportation, department of natural resources, or a county treasurer; and

(3) knowingly fails to remit all or part of the state gross retail or use tax that is due;

commits a Class A misdemeanor.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.26-1985, SEC.8; P.L.6-1987, SEC.7; P.L.335-1989(ss), SEC.6; P.L.18-1990, SEC.20.

IC 6-2.5-9-7

Removing or altering sign posted by department; failure to notify department; offense

Sec. 7. (a) Any person who:

(1) removes;

(2) alters;

(3) defaces; or

(4) covers;

a sign posted by the department that states that no retail transactions

or sales can be made at a retail merchant's location commits a Class B misdemeanor.

(b) A retail merchant shall notify the department of any violation of subsection (a) that occurs on the retail merchant's premises.

(c) A retail merchant who fails to give the notice required by subsection (b) within two (2) business days after the violation of subsection (a) occurs commits a Class B misdemeanor.

As added by P.L.26-1985, SEC.9.

IC 6-2.5-9-8

Records; inspection; falsification; offenses

Sec. 8. (a) All records of a person that have collected or that should have collected gross retail taxes shall be kept open for examination at any reasonable time by the department or the department's authorized agents. A person that violates this subsection commits a Level 6 felony.

(b) A person that:

(1) makes false entries in a tax record; or

(2) keeps more than one (1) set of tax records;

with the intent to defraud the state or evade remittance of the tax imposed by this article commits a Level 6 felony.

As added by P.L.71-1993, SEC.12. Amended by P.L.158-2013, SEC.85.

IC 6-2.5-10

Chapter 10. Miscellaneous

IC 6-2.5-10-1

Collected revenue; distribution and use

Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects.

(b) The department shall deposit those collections in the following manner:

(1) Ninety-eight and eight hundred forty-eight thousandths percent (98.848%) of the collections shall be paid into the state general fund.

(2) One percent (1%) of the collections shall be deposited in the motor vehicle highway account established under IC 8-14-1.

(3) Twenty-nine thousandths of one percent (0.029%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.

(4) One hundred twenty-three thousandths of one percent (0.123%) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

As added by Acts 1980, P.L.52, SEC.1. Amended by Acts 1980, P.L.10, SEC.3; Acts 1982, P.L.51, SEC.1; P.L.2-1982(ss), SEC.7; P.L.16-1984, SEC.3; P.L.95-1987, SEC.1; P.L.1-1993, SEC.38; P.L.253-1999, SEC.3; P.L.192-2002(ss), SEC.65; P.L.234-2007, SEC.40; P.L.146-2008, SEC.317; P.L.229-2011, SEC.82; P.L.205-2013, SEC.78.

IC 6-2.5-10-2

Application of adjusted gross income tax procedures

Sec. 2. The provisions of the adjusted gross income tax law (IC 6-3), which do not conflict with the provisions of this article and which deal with any of the following subjects, apply for the purposes of imposing, collecting, and administering the state gross retail and use taxes under this article:

(1) Filing of returns.
(2) Auditing of returns.
(3) Investigation of tax liability.
(4) Determination of tax liability.
(5) Notification of tax liability.
(6) Assessment of tax liability.
(7) Collection of tax liability.
(8) Examination of taxpayer's books and records.
(9) Legal proceedings.
(10) Court actions.
(11) Remedies.
(12) Privileges.
(13) Taxpayer and departmental relief.
(14) Statutes of limitations.
(15) Hearings.
(16) Refunds.

(17) Remittances.
(18) Imposition of penalties and interest.
(19) Maintenance of departmental records.
(20) Confidentiality of taxpayer's returns.
(21) Duties of the secretary of state and the treasurer of state.
(22) Administration.

As added by Acts 1980, P.L.52, SEC.1. Amended by P.L.19-1986, SEC.13; P.L.192-2002(ss), SEC.66.

IC 6-2.5-10-3
Repealed

(Repealed by P.L.28-1997, SEC.31.)

IC 6-2.5-10-4
Repealed

(Repealed by P.L.28-1997, SEC.31.)

IC 6-2.5-10-5
Collection of NAICS codes

Sec. 5. (a) As used in this section, "NAICS code" refers to the code used to classify a particular industry in the current edition of the North American Industry Classification System Manual - United States, published by the National Technical Information Service of the United States Department of Commerce.

(b) The department shall collect and maintain for all retail merchants information concerning the NAICS codes of the merchants.

As added by P.L.19-2004, SEC.1.

IC 6-2.5-11

Chapter 11. Simplified Sales and Use Tax Administration Act

IC 6-2.5-11-1

Short title

Sec. 1. This chapter shall be known as and referred to as the "simplified sales and use tax administration act".

As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-2

Definitions

Sec. 2. As used in this chapter:

(1) "Agreement" means the Streamlined Sales and Use Tax Agreement.

(2) "Certified automated system" means software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, to determine the amount of tax to remit to the appropriate state, and to maintain a record of the transaction.

(3) "Certified service provider" means an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions.

(4) "Person" means an individual, a trust, an estate, a fiduciary, a partnership, a limited liability company, a limited liability partnership, a corporation, or any other legal entity.

(5) "Sales tax" means the state gross retail tax levied under IC 6-2.5.

(6) "Seller" means any person making sales, leases, or rentals of personal property or services.

(7) "State" means any state of the United States and the District of Columbia.

(8) "Use tax" means the use tax levied under IC 6-2.5.

As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-3

Findings of general assembly

Sec. 3. The general assembly finds that a simplified sales and use tax system will reduce and over time eliminate the burden and cost for all vendors to collect this state's sales and use tax. The general assembly further finds that this state should participate in multistate discussions to review, amend, or review and amend the terms of the agreement to simplify and modernize sales and use tax administration in order to substantially reduce the burden of tax compliance for all sellers and all types of commerce.

As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-4

Delegates to review or amend agreement

Sec. 4. (a) For the purposes of reviewing, amending, or reviewing and amending the agreement embodying the simplification

requirements set forth in section 7 of this chapter, the state shall enter into multistate discussions. For purposes of those discussions, the state shall be represented by four (4) delegates, appointed as follows:

(1) One (1) member of the house of representatives, appointed by the speaker of the house of representatives.

(2) One (1) member of the senate, appointed by the president pro tempore of the senate.

(3) One (1) individual appointed by the governor.

(4) The commissioner of the department of state revenue, who is an ex officio member.

A delegate appointed under subdivisions (1) through (3) serves at the pleasure of the officer who appointed that delegate.

(b) Each delegate who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The delegate is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the delegate's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency. Expenses incurred under this subsection shall be paid out of the funds appropriated to the department of state revenue.

(c) Each delegate who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the delegate's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(d) Each delegate who is a member of the general assembly is entitled to receive the per diem, mileage, and travel allowances paid to members of the general assembly under travel policies established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-5

Powers of department

Sec. 5. The department may enter into the agreement with one (1) or more states to simplify and modernize sales and use tax administration in order to substantially reduce the burden of tax compliance for all sellers and for all types of commerce. In furtherance of the agreement, the department may act jointly with other states that are members of the agreement to establish standards for certification of certified service providers and certified automated systems and to establish performance standards for multistate sellers. The department may take other actions reasonably required to implement this chapter. Other actions authorized by this section include, but are not limited to, the adoption of rules and the joint procurement, with other member states, of goods and services in furtherance of the cooperative agreement. The department or the

department's designee shall represent the state of Indiana before the other states that are signatories to the agreement.
As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-6
Effect on Indiana law

Sec. 6. No provision of the agreement authorized by this chapter in whole or in part invalidates or amends any provision of the law of Indiana. Adoption of the agreement by the state of Indiana does not amend or modify any Indiana law. Implementation of any condition of the agreement in Indiana, whether adopted before, at, or after membership of this state in the agreement, must be by the action of this state.
As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-7
Requirements in agreement

Sec. 7. The department shall not enter into the agreement unless the agreement requires each state to abide by the following requirements:

(1) Simplified State Rate. The agreement must set restrictions to limit over time the number of state rates.

(2) Uniform Standards. The agreement must establish uniform standards for the following:

(A) The sourcing of transactions to taxing jurisdictions.

(B) The administration of exempt sales.

(C) Sales and use tax returns and remittances.

(3) Central Registration. The agreement must provide a central electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states.

(4) No Nexus Attribution. The agreement must provide that registration with the central registration system and the collection of sales and use taxes in the signatory states will not be used as a factor in determining whether the seller has nexus with a state for any tax.

(5) Local Sales and Use Taxes. The agreement must provide for reduction of the burdens of complying with local sales and use taxes through the following:

(A) Restricting variances between the state and local tax bases.

(B) Requiring states to administer any sales and use taxes levied by local jurisdictions within the state so that sellers collecting and remitting these taxes will not have to register or file returns with, remit funds to, or be subject to independent audits from local taxing jurisdictions.

(C) Restricting the frequency of changes in the local sales and use tax rates and setting effective dates for the application of local jurisdictional boundary changes to local sales and use taxes.

(D) Providing notice of changes in local sales and use tax

rates and of changes in the boundaries of local taxing jurisdictions.

(6) Monetary Allowances. The agreement must outline any monetary allowances that are to be provided by the states to sellers or certified service providers. The agreement must allow for a joint public and private sector study of the compliance cost on sellers and certified service providers to collect sales and use taxes for state and local governments under various levels of complexity to be completed on or before July 1, 2002.

(7) State Compliance. The agreement must require each state to certify compliance with the terms of the agreement before joining and to maintain compliance, under the laws of the member state, with all provisions of the agreement while the state is a member.

(8) Consumer Privacy. The agreement must require each state to adopt a uniform policy for certified service providers that protects the privacy of consumers and maintains the confidentiality of tax information.

(9) Advisory Councils. The agreement must provide for the appointment of an advisory council of private sector representatives and an advisory council of nonmember state representatives to consult in the administration of the agreement.

As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-8

Provisions in agreement

Sec. 8. The agreement authorized by this chapter is an accord among individual cooperating sovereign states in furtherance of their governmental functions. The agreement provides a mechanism among the member states to establish and maintain a cooperative, simplified system for the application and administration of sales and use taxes under the duly adopted law of each member state.

As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-9

State is only intended beneficiary of agreement; no individual causes of action

Sec. 9. (a) The agreement authorized by this chapter binds and inures only to the benefit of the state of Indiana and the other member states. No person, other than a member state, is an intended beneficiary of the agreement. Any benefit to a person other than a state is established by the law of the state of Indiana and the other member states and not by the terms of the agreement.

(b) Consistent with subsection (a), no person shall have any cause of action or defense under the agreement or by virtue of the state of Indiana's approval of the agreement. No person may challenge, in any action brought under any provision of law, any action or inaction by any department, agency, or other instrumentality of the state of Indiana, or any political subdivision of the state of Indiana on the grounds that the action or inaction is inconsistent with the agreement.

(c) No law of Indiana, or the application thereof, may be declared invalid as to any person or circumstance on the grounds that the provision or application is inconsistent with the agreement.
As added by P.L.107-2001, SEC.1.

IC 6-2.5-11-10
Certified services providers; allowances for sellers and certified service providers under the agreement; relief for failure to collect tax

Sec. 10. (a) A certified service provider is the agent of a seller, with whom the certified service provider has contracted, for the collection and remittance of sales and use taxes. As the seller's agent, the certified service provider is liable for sales and use tax due each member state on all sales transactions it processes for the seller except as set out in this section. A seller that contracts with a certified service provider is not liable to the state for sales or use tax due on transactions processed by the certified service provider unless the seller misrepresented the type of items it sells or committed fraud. In the absence of probable cause to believe that the seller has committed fraud or made a material misrepresentation, the seller is not subject to audit on the transactions processed by the certified service provider. A seller is subject to audit for transactions not processed by the certified service provider. The member states acting jointly may perform a system check of the seller and review the seller's procedures to determine if the certified service provider's system is functioning properly and the extent to which the seller's transactions are being processed by the certified service provider.

(b) A person that provides a certified automated system is responsible for the proper functioning of that system and is liable to the state for underpayments of tax attributable to errors in the functioning of the certified automated system. A seller that uses a certified automated system remains responsible and is liable to the state for reporting and remitting tax.

(c) A seller that has a proprietary system for determining the amount of tax due on transactions and has signed an agreement establishing a performance standard for that system is liable for the failure of the system to meet the performance standard.

(d) A certified service provider or a seller that obtains a certification or taxability matrix from the department is not liable for sales or use tax collection errors that result from reliance on the department's certification or taxability matrix. If the department determines that an item or transaction is incorrectly classified as to the taxability of the item or transaction, the department shall notify the certified service provider or the seller of the incorrect classification. The certified service provider or the seller must revise the incorrect classification within ten (10) days after receiving notice of the determination from the department. If the classification error is not corrected within ten (10) days after receiving the department's notice, the certified service provider or the seller is liable for failure to collect the correct amount of sales or use tax due and owing.

(e) If at least thirty (30) days are not provided between the enactment of a statute changing the rate set forth in IC 6-2.5-2-2 and the effective date of the rate change, the department shall relieve the seller of liability for failing to collect tax at the new rate if:

(1) the seller collected the tax at the immediately preceding effective rate; and

(2) the seller's failure to collect at the current rate does not extend beyond thirty (30) days after the effective date of the rate change.

A seller is not eligible for the relief provided for in this subsection if the seller fraudulently fails to collect at the current rate or solicits purchases based on the immediately preceding effective rate.

(f) The department shall allow any monetary allowances that are provided by the member states to sellers or certified service providers in exchange for collecting the sales and use taxes as provided in article VI of the agreement.

As added by P.L.107-2001, SEC.1. Amended by P.L.195-2005, SEC.4; P.L.145-2007, SEC.9; P.L.182-2009(ss), SEC.183; P.L.113-2010, SEC.53; P.L.84-2011, SEC.4.

IC 6-2.5-11-11

Relief from penalties, tax, and interest in certain transactions involving reliance on data provided by the department

Sec. 11. (a) This section applies only to transactions occurring after December 31, 2008.

(b) A purchaser is relieved from liability for penalties imposed under IC 6-8.1-10-2.1 for failure to pay the amount of tax due if any of the following occurs:

(1) A purchaser's seller or certified service provider relied on erroneous data provided by the department regarding any of the following:

(A) Tax rates.

(B) Boundaries.

(C) Taxing jurisdiction assignments.

(D) The taxability matrix.

(2) A purchaser with a direct pay permit relied on erroneous data provided by the department regarding any of the following:

(A) Tax rates.

(B) Boundaries.

(C) Taxing jurisdiction assignments.

(D) The taxability matrix.

(3) A purchaser relied on erroneous data in the taxability matrix provided by the department.

(c) The department shall relieve a purchaser from liability for tax and interest for having failed to pay the correct amount of sales or use tax in the circumstances described in subsection (b); however, the relief is limited to tax and interest attributable to the department's erroneous classification in the taxability matrix of terms:

(1) included as taxable or exempt;

(2) included in the sales price;

(3) excluded from the sales price;
(4) included in a definition; or
(5) excluded from a definition.
As added by P.L.145-2007, SEC.10.

IC 6-2.5-11-12
Review of software; limited relief from liability

Sec. 12. (a) The department shall review software submitted to the governing board for certification as a certified automated system. The review is to determine that the program adequately classifies product based exemptions granted under IC 6-2.5-5. Upon satisfactory completion of the review, the department shall certify to the governing board the department's acceptance of the classifications made by the system.

(b) The governing board and the member states are not responsible for classification of an item or a transaction within the product based exemptions certified by the department. The relief from liability provided in this section is not available to a certified service provider or Model 2 seller that has incorrectly classified an item or a transaction into a product based exemption certified by the department. This subsection does not apply to the individual listing of items or transactions within a product definition approved by the governing board or the member states.

(c) If the department determines that an item or a transaction is incorrectly classified as to the taxability of the item or transaction, the department shall notify the certified service provider or Model 2 seller of the incorrect classification. The certified service provider or Model 2 seller must revise the classification within ten (10) days after receiving notice of the determination from the department. If the classification error is not corrected within ten (10) days after receiving the department's notice, the certified service provider or Model 2 seller is liable for failure to collect the correct amount of sales or use tax due and owing.
As added by P.L.145-2007, SEC.11.

IC 6-2.5-12

Chapter 12. Taxing Situs of Nonmobile Telecommunications Service

IC 6-2.5-12-1

"Air to ground radio telephone service"

Sec. 1. As used in this chapter, "air to ground radiotelephone service" means a radio service, as that term is defined in 47 CFR 22.99, in which common carriers are authorized to offer and provide radio telecommunications service for hire to subscribers in aircraft.

As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-2

"Call by call basis"

Sec. 2. As used in this chapter, "call by call basis" means any method of charging for telecommunications services by which the price is measured by individual calls.

As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-3

"Communications channel"

Sec. 3. As used in this chapter, "communications channel" means a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points.

As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-4

"Customer"

Sec. 4. As used in this chapter, "customer" means the person or entity that contracts with the seller of telecommunications services. If the end user of telecommunications services is not the contracting party, the end user of the telecommunications service is the customer of the telecommunication service, but this sentence only applies for the purpose of sourcing sales of telecommunications services under this chapter. The term does not include a reseller of telecommunications service or for mobile telecommunications service of a serving carrier under an agreement to serve the customer outside the home service provider's licensed service area.

As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-5

"Customer channel termination point"

Sec. 5. As used in this chapter, "customer channel termination point" means the location where the customer either inputs or receives the communications.

As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-6

"End user"

Sec. 6. As used in this chapter, "end user" means the person who

uses the telecommunications service. In the case of an entity, "end user" means the individual who uses the service on behalf of the entity.
As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-7
"Home service provider"
Sec. 7. As used in this chapter, "home service provider" means the facilities based carrier or reseller with which the customer contracts for the provision of mobile telecommunications service.
As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-8
"Mobile telecommunications service"
Sec. 8. As used in this chapter, "mobile telecommunications service" means commercial mobile radio service, as defined in 47 CFR 20.3 as in effect on June 1, 1999.
As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-9
"Place of primary use"
Sec. 9. As used in this chapter, "place of primary use" means the street address representative of where the customer's use of the telecommunications service primarily occurs, which must be the residential street address or the primary business street address of the customer. In the case of mobile telecommunications services, "place of primary use" must be within the licensed service area of the home service provider.
As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-10
"Post paid calling service"
Sec. 10. As used in this chapter, "post paid calling service" means the telecommunications service obtained by making a payment on a call by call basis either through the use of a credit card or payment mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a telephone number that is not associated with the origination or termination of the telecommunications service. A post paid calling service includes a telecommunications service, except a prepaid wireless calling service, that would be a prepaid calling service except it is not exclusively a telecommunications service.
As added by P.L.257-2003, SEC.31. Amended by P.L.145-2007, SEC.12.

IC 6-2.5-12-11
"Prepaid calling service"
Sec. 11. As used in this chapter, "prepaid calling service" means the right to access exclusively telecommunications services, which must be paid for in advance and which enables the origination of calls

using an access number or authorization code, whether manually or electronically dialed, and that is sold in predetermined units or dollars of which the number declines with use in a known amount.
As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-11.5
"Prepaid wireless calling service"

Sec. 11.5. As used in this chapter, "prepaid wireless calling service" means a telecommunications service that provides the right to use mobile wireless service as well as other nontelecommunications services, including the download of content, digital products delivered electronically, and ancillary services, which:

(1) must be paid for in advance; and

(2) are sold in predetermined units or dollars, the balance of which declines with use in a known amount.

As added by P.L.145-2007, SEC.13.

IC 6-2.5-12-12
"Private communications service"

Sec. 12. As used in this chapter, "private communication service" means a telecommunications service that entitles the customer to exclusive or priority use of a communications channel or group of channels between or among termination points, regardless of the manner in which such channel or channels are connected, and includes switching capacity, extension lines, stations, and any other associated services that are provided in connection with the use of such channel or channels.
As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-13
"Service address"

Sec. 13. As used in this chapter, "service address" means the following:

(1) The location of the telecommunications equipment to which a customer's call is charged and from which the call originates or terminates, regardless of where the call is billed or paid.

(2) If the location described in subdivision (1) is not known, the origination point of the signal of the telecommunications services first identified by either the seller's telecommunications system or in information received by the seller from its service provider, where the system used to transport such signals is not that of the seller.

(3) If neither of the locations described in subdivision (1) or (2) is known, the location of the customer's place of primary use.

As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-14
Sourcing of telecommunications service sold call by call

Sec. 14. Except for the telecommunications services listed in

section 16 of this chapter, the sale of telecommunications service sold on a call by call basis shall be sourced to:

(1) each level of taxing jurisdiction where the call originates and terminates in that jurisdiction; or

(2) each level of taxing jurisdiction where the call either originates or terminates and in which the service address is also located.

As added by P.L.257-2003, SEC.31.

IC 6-2.5-12-15

Sourcing of telecommunications service sold on other basis; sourcing of Internet access service or ancillary services

Sec. 15. Except for the telecommunications services listed in section 16 of this chapter, a sale of:

(1) telecommunications services sold on a basis other than a call by call basis;

(2) Internet access service; or

(3) an ancillary service;

is sourced to the customer's place of primary use.

As added by P.L.257-2003, SEC.31. Amended by P.L.182-2009(ss), SEC.184.

IC 6-2.5-12-16

Sourcing of particular types of telecommunications services

Sec. 16. The sale of the following telecommunications services shall be sourced to each level of taxing jurisdiction as follows:

(1) A sale of mobile telecommunications services, other than air to ground radiotelephone service and prepaid calling service, is sourced to the customer's place of primary use as required by the Mobile Telecommunications Sourcing Act and IC 6-8.1-15.

(2) A sale of post paid calling service is sourced to the origination point of the telecommunications signal as first identified by either:

(A) the seller's telecommunications system; or

(B) information received by the seller from its service provider, where the system used to transport such signals is not that of the seller.

(3) A sale of prepaid calling service or a sale of prepaid wireless calling service is sourced in the following manner:

(A) When the service is received by the purchaser at a business location of the seller, the sale is sourced to that business location.

(B) When the service is not received by the purchaser at a business location of the seller, the sale is sourced to the location where receipt by the purchaser (or the purchaser's donee, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery to the purchaser (or donee), known to the seller.

(C) When clauses (A) and (B) do not apply, the sale is sourced to the location indicated by an address for the

purchaser that is available from the business records of the seller that are maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith.

(D) When clauses (A) through (C) do not apply, the sale is sourced to the location indicated by an address for the purchaser obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith.

(E) When clauses (A) through (D) do not apply, including the circumstance in which the seller is without sufficient information to apply the previous clauses, the location will be determined by either:

(i) the address from which tangible personal property was shipped, from which any digital good or computer software delivered electronically was first available for transmission by the seller, or from which the service was provided (disregarding for these purposes any location that merely provided the digital transfer of the product sold); or

(ii) in the case of a sale of mobile telecommunications service that is a prepaid telecommunications service, the location associated with the mobile telephone number.

(4) A sale of a private communications service is sourced as follows:

(A) Service for a separate charge related to a customer channel termination point is sourced to each level of jurisdiction in which such customer channel termination point is located.

(B) Service where all customer termination points are located entirely within one (1) jurisdiction or level of jurisdiction is sourced in such jurisdiction in which the customer channel termination points are located.

(C) Service for segments of a channel between two (2) customer channel termination points located in different jurisdictions and which segments of channel are separately charged is sourced fifty percent (50%) in each level of jurisdiction in which the customer channel termination points are located.

(D) Service for segments of a channel located in more than one (1) jurisdiction or level of jurisdiction and which segments are not separately billed is sourced in each jurisdiction based on the percentage determined by dividing the number of customer channel termination points in such jurisdiction by the total number of customer channel termination points.

As added by P.L.257-2003, SEC.31. Amended by P.L.145-2007, SEC.14.

IC 6-2.5-13

Chapter 13. General Sourcing Rules

IC 6-2.5-13-1

Sourcing of retail sales, leases, and rentals

Sec. 1. (a) As used in this section, the terms "receive" and "receipt" mean:

(1) taking possession of tangible personal property;

(2) making first use of services; or

(3) taking possession or making first use of digital goods;

whichever comes first. The terms "receive" and "receipt" do not include possession by a shipping company on behalf of the purchaser.

(b) This section:

(1) applies regardless of the characterization of a product as tangible personal property, a digital good, or a service;

(2) applies only to the determination of a seller's obligation to pay or collect and remit a sales or use tax with respect to the seller's retail sale of a product; and

(3) does not affect the obligation of a purchaser or lessee to remit tax on the use of the product to the taxing jurisdictions of that use.

(c) This section does not apply to sales or use taxes levied on the following:

(1) The retail sale or transfer of watercraft, modular homes, manufactured homes, or mobile homes. These items must be sourced according to the requirements of this article.

(2) The retail sale, excluding lease or rental, of motor vehicles, trailers, semitrailers, or aircraft that do not qualify as transportation equipment, as defined in subsection (g). The retail sale of these items shall be sourced according to the requirements of this article, and the lease or rental of these items must be sourced according to subsection (f).

(3) Telecommunications services, ancillary services, and Internet access service shall be sourced in accordance with IC 6-2.5-12.

(4) Direct mail, which shall be sourced in accordance with section 3 of this chapter.

(d) The retail sale, excluding lease or rental, of a product shall be sourced as follows:

(1) When the product is received by the purchaser at a business location of the seller, the sale is sourced to that business location.

(2) When the product is not received by the purchaser at a business location of the seller, the sale is sourced to the location where receipt by the purchaser (or the purchaser's donee, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery to the purchaser (or donee), known to the seller.

(3) When subdivisions (1) and (2) do not apply, the sale is sourced to the location indicated by an address for the purchaser

that is available from the business records of the seller that are maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith.

(4) When subdivisions (1), (2), and (3) do not apply, the sale is sourced to the location indicated by an address for the purchaser obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith.

(5) When none of the previous rules of subdivision (1), (2), (3), or (4) apply, including the circumstance in which the seller is without sufficient information to apply the previous rules, then the location will be determined by the address from which tangible personal property was shipped, from which the digital good or the computer software delivered electronically was first available for transmission by the seller, or from which the service was provided (disregarding for these purposes any location that merely provided the digital transfer of the product sold).

(e) The lease or rental of tangible personal property, other than property identified in subsection (f) or (g), shall be sourced as follows:

(1) For a lease or rental that requires recurring periodic payments, the first periodic payment is sourced the same as a retail sale in accordance with the provisions of subsection (d). Periodic payments made subsequent to the first payment are sourced to the primary property location for each period covered by the payment. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of this address does not constitute bad faith. The property location shall not be altered by intermittent use at different locations, such as use of business property that accompanies employees on business trips and service calls.

(2) For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale in accordance with the provisions of subsection (d).

This subsection does not affect the imposition or computation of sales or use tax on leases or rentals based on a lump sum or an accelerated basis, or on the acquisition of property for lease.

(f) The lease or rental of motor vehicles, trailers, semitrailers, or aircraft that do not qualify as transportation equipment, as defined in subsection (g), shall be sourced as follows:

(1) For a lease or rental that requires recurring periodic payments, each periodic payment is sourced to the primary property location. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of this address does not

constitute bad faith. This location shall not be altered by intermittent use at different locations.

(2) For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale in accordance with the provisions of subsection (d).

This subsection does not affect the imposition or computation of sales or use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of property for lease.

(g) The retail sale, including lease or rental, of transportation equipment shall be sourced the same as a retail sale in accordance with the provisions of subsection (d), notwithstanding the exclusion of lease or rental in subsection (d). As used in this subsection, "transportation equipment" means any of the following:

(1) Locomotives and railcars that are used for the carriage of persons or property in interstate commerce.

(2) Trucks and truck-tractors with a gross vehicle weight rating (GVWR) of ten thousand one (10,001) pounds or greater, trailers, semitrailers, or passenger buses that are:

(A) registered through the International Registration Plan; and

(B) operated under authority of a carrier authorized and certificated by the U.S. Department of Transportation or another federal authority to engage in the carriage of persons or property in interstate commerce.

(3) Aircraft that are operated by air carriers authorized and certificated by the U.S. Department of Transportation or another federal or a foreign authority to engage in the carriage of persons or property in interstate or foreign commerce.

(4) Containers designed for use on and component parts attached or secured on the items set forth in subdivisions (1) through (3).

(h) Notwithstanding subsection (d), a retail sale of floral products in which a florist or floral business:

(1) takes a floral order from a purchaser; and

(2) transmits the floral order by telegraph, telephone, or other means of communication to another florist or floral business for delivery;

is sourced to the location of the florist or floral business that originally takes the floral order from the purchaser.

As added by P.L.257-2003, SEC.32. Amended by P.L.153-2006, SEC.6; P.L.145-2007, SEC.15; P.L.19-2008, SEC.7; P.L.182-2009(ss), SEC.185; P.L.265-2013, SEC.7.

IC 6-2.5-13-2
Repealed

(Repealed by P.L.145-2007, SEC.16.)

IC 6-2.5-13-3
Sourcing of purchases of direct mail

Sec. 3. (a) Notwithstanding section 1 of this chapter, a purchaser

of advertising and promotional direct mail that is not a holder of a direct pay permit may provide to the seller in conjunction with the purchase:

(1) a direct mail form;

(2) a certificate of exemption claiming "direct mail" (or another written statement approved, authorized, or accepted by the department); or

(3) information to show the jurisdictions to which the advertising and promotional direct mail is delivered to recipients.

(b) If the purchaser provides the direct mail form referred to in subsection (a)(1), or a certificate or statement referred to in subsection (a)(2), in the absence of bad faith, the seller is relieved of all obligations to collect, pay, or remit the applicable tax on any transaction involving advertising and promotional direct mail to which the direct mail form, certificate, or statement applies. The purchaser shall source the sale to the jurisdictions to which the advertising and promotional direct mail is to be delivered to the recipients and is obligated to pay or remit the applicable tax on a direct pay basis.

(c) If the purchaser provides the information referred to in subsection (a)(3) showing the jurisdictions to which the advertising and promotional direct mail is delivered to recipients, the seller shall source the sale to the jurisdictions to which the advertising and promotional direct mail is to be delivered and collect the tax according to the delivery information provided by the purchaser. In the absence of bad faith, the seller is relieved of any further obligation to collect tax on any transaction where the seller has sourced the sale and collected tax under the delivery information provided by the purchaser.

(d) If the purchaser of advertising and promotional direct mail does not have a direct pay permit and does not provide the seller with either a direct mail form referred to in subsection (a)(1), a certificate or statement referred to in subsection (a)(2), or delivery information referred to in subsection (a)(3), the sale shall be sourced and the seller shall collect the tax according to section 1(d)(5) of this chapter. Nothing in this subsection limits a purchaser's obligation for sales or use tax to any state to which the advertising and promotional direct mail is delivered. The state to which the advertising and promotional direct mail is delivered may disallow a credit for tax paid to this state on sales sourced under this subsection.

(e) Except as provided in this section, sales of other direct mail are sourced in accordance with section 1(d)(3) of this chapter. A purchaser of other direct mail may provide the seller with either:

(1) a direct mail form; or

(2) a certificate of exemption claiming "direct mail" (or another written statement approved, authorized, or accepted by the department).

(f) If the purchaser provides the direct mail form referred to in subsection (e)(1) or a certificate or statement referred to in subsection

(e)(2), the seller, in the absence of bad faith, is relieved of all obligations to collect, pay, or remit any tax on any transaction involving other direct mail to which the direct mail form, certificate, or statement applies. Notwithstanding subsection (e), such a sale shall be sourced to the jurisdictions to which the other direct mail is to be delivered to the recipients, and the purchaser shall report and pay the applicable tax due.

(g) If a purchaser of direct mail provides the seller with documentation of direct pay authority, the purchaser shall not be required to provide a direct mail form, a certificate or statement, or delivery information to the seller.

(h) A direct mail form remains in effect for all future sales of direct mail by the seller to the purchaser until it is revoked in writing.

(i) This section applies to a transaction characterized as the sale of services only if the service is an integral part of the production and distribution of printed material that is direct mail.

(j) This section does not apply to any transaction that includes the development of billing information or the provision of any data processing service that is more than incidental, regardless of whether advertising and promotional direct mail is included in the same mailing.

As added by P.L.257-2003, SEC.32. Amended by P.L.265-2013, SEC.8.

IC 6-2.5-14

Chapter 14. Amnesty Program for Unpaid Use Tax on Claimed Race Horses

IC 6-2.5-14-1

Establishment of amnesty program

Sec. 1. The department shall establish an amnesty program for taxpayers having an unpaid use tax liability for a claiming transaction occurring before June 1, 2012. This chapter does not apply to a taxpayer's state gross retail or use tax liability from any other type of transaction.

As added by P.L.205-2013, SEC.79.

IC 6-2.5-14-2

Deadline for action by taxpayer

Sec. 2. The time in which a voluntary payment of tax liability may be made (or the taxpayer may enter into a payment program acceptable to the department for the payment of the unpaid use taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer) under the amnesty program is limited to the period ending before January 1, 2014.

As added by P.L.205-2013, SEC.79.

IC 6-2.5-14-3

Taxpayer requirements

Sec. 3. The amnesty program established under this chapter must require the following:

(1) That a taxpayer who enters an agreement described in section 2 of this chapter is not eligible for any other amnesty program that may be established.

(2) That the taxpayer shall comply with all other amnesty conditions adopted under a rule of the department in effect on the date the voluntary payment is made.

As added by P.L.205-2013, SEC.79.

IC 6-2.5-14-4

Benefits to amnesty participants

Sec. 4. Upon payment by a taxpayer to the department of all use taxes due from the taxpayer for a tax period (or payment of the unpaid use taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer), the department:

(1) shall abate and not seek to collect any interest, penalties, collection fees, or costs that would otherwise be applicable;

(2) shall release any liens imposed;

(3) shall not seek civil or criminal prosecution against any individual or entity; and

(4) shall not issue, or, if issued, shall withdraw, an assessment, a demand notice, or a warrant for payment under IC 6-8.1-5-3,

IC 6-8.1-8-2, or another law against any individual or entity; for use taxes due from the taxpayer for the tax period for which amnesty has been granted to the taxpayer.
As added by P.L.205-2013, SEC.79.

IC 6-2.5-14-5
Amnesty binding on the state

Sec. 5. Amnesty granted under this chapter is binding on the state and its agents. However, failure to pay the department all use taxes due for a tax period invalidates any amnesty granted under this chapter for that tax period.
As added by P.L.205-2013, SEC.79.

IC 6-2.5-14-6
Duty to enforce taxpayer agreement not to participate in another amnesty program

Sec. 6. The department shall enforce an agreement with a taxpayer that prohibits the taxpayer from receiving amnesty in another amnesty program.
As added by P.L.205-2013, SEC.79.

IC 6-3

ARTICLE 3. OTHER STATE INCOME TAXES

IC 6-3-1

Chapter 1. Definitions

IC 6-3-1-1

Short title

Sec. 1. IC 6-3-1 through IC 6-3-7 shall be known and may be cited as the Adjusted Gross Income Tax Act of 1963.

(Formerly: Acts 1963(ss), c.32, s.101.) As amended by P.L.2-1988, SEC.3.

IC 6-3-1-2

Construction of definitions

Sec. 2. Except where the context otherwise requires, the definitions given in this article govern the construction of this article.

(Formerly: Acts 1963(ss), c.32, s.102.) As amended by P.L.2-1988, SEC.4.

IC 6-3-1-2.5

"Armed forces of the United States"

Sec. 2.5. "Armed forces of the United States" has the meaning set forth in IC 5-9-4-3.

As added by P.L.144-2007, SEC.1.

IC 6-3-1-2.7

"National Guard"

Sec. 2.7. "National Guard" has the meaning set forth in IC 5-9-4-4.

As added by P.L.144-2007, SEC.2.

IC 6-3-1-3

Repealed

(Repealed by Acts 1980, P.L.54, SEC.9.)

IC 6-3-1-3.1

Repealed

(Repealed by Acts 1979, P.L.70, SEC.2.)

IC 6-3-1-3.5

"Adjusted gross income"

Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions

allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars ($1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars ($1,000).

(4) Subtract one thousand dollars ($1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) one thousand five hundred dollars ($1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004); and

(B) five hundred dollars ($500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars ($40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars ($2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a

taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(11) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(12) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(13) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(14) Subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(15) Subtract an amount equal to the lesser of:

(A) two thousand five hundred dollars ($2,500); or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(16) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(18) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(20) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.
(21) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.
(22) Subtract income that is:
(A) exempt from taxation under IC 6-3-2-21.7; and
(B) included in the individual's federal adjusted gross income under the Internal Revenue Code.
(23) Subtract any amount of a credit (including an advance refund of the credit) that is provided to an individual under 26 U.S.C. 6428 (federal Economic Stimulus Act of 2008) and included in the individual's federal adjusted gross income.
(24) Add any amount of unemployment compensation excluded from federal gross income, as defined in Section 61 of the Internal Revenue Code, under Section 85(c) of the Internal Revenue Code.
(25) Add the amount excluded from gross income under Section 108(a)(1)(e) of the Internal Revenue Code for the discharge of debt on a qualified principal residence.
(26) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract the amount necessary from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.
(27) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.
(28) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.
(29) Add or subtract the amount necessary to make the adjusted

gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(30) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(31) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(32) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal

Revenue Code.
(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.
(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).
(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.
(9) Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related intangible interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.
(10) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).
(11) Subtract income that is:
(A) exempt from taxation under IC 6-3-2-21.7; and
(B) included in the corporation's taxable income under the Internal Revenue Code.
(12) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December

31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(16) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(17) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(18) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political

subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1,

2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(15) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(16) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in

IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(17) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable

year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year

or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(15) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(16) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(17) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in

service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(7) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the taxpayer's taxable income under the Internal Revenue Code.

(8) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(9) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(10) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(13) Add the amount excluded from gross income under Section 108(a)(1)(e) of the Internal Revenue Code for the discharge of debt on a qualified principal residence.

(14) This subdivision does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(15) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(Formerly: Acts 1971, P.L.64, SEC.1; Acts 1973, P.L.49, SEC.1.) As amended by Acts 1977, P.L.77, SEC.1; Acts 1977(ss), P.L.4, SEC.8; Acts 1978, P.L.42, SEC.1; Acts 1978, P.L.43, SEC.1; Acts 1980, P.L.54, SEC.1; Acts 1981, P.L.82, SEC.1; Acts 1982, P.L.52, SEC.1; P.L.82-1983, SEC.1; P.L.49-1984, SEC.1; P.L.73-1985, SEC.1; P.L.2-1987, SEC.15; P.L.91-1987, SEC.2; P.L.383-1987(ss), SEC.3; P.L.88-1989, SEC.1; P.L.1-1990, SEC.75; P.L.2-1992, SEC.68; P.L.57-1997, SEC.2; P.L.119-1998, SEC.3; P.L.128-1999, SEC.1; P.L.238-1999, SEC.1; P.L.249-1999, SEC.1; P.L.257-1999, SEC.1; P.L.273-1999, SEC.51; P.L.14-2000, SEC.16; P.L.8-2002, SEC.3; P.L.192-2002(ss), SEC.67; P.L.105-2003, SEC.1; P.L.1-2004, SEC.49; P.L.81-2004, SEC.9; P.L.246-2005, SEC.69; P.L.184-2006, SEC.3; P.L.162-2006, SEC.24; P.L.1-2007, SEC.53; P.L.144-2007, SEC.3; P.L.211-2007, SEC.19; P.L.223-2007, SEC.1; P.L.131-2008, SEC.11; P.L.3-2008, SEC.60; P.L.1-2009, SEC.49; P.L.182-2009(ss), SEC.186; P.L.229-2011, SEC.83; P.L.171-2011, SEC.4; P.L.172-2011, SEC.53; P.L.6-2012, SEC.47; P.L.137-2012, SEC.52; P.L.205-2013, SEC.80.

IC 6-3-1-3.7
Expired

(Expired 1-1-2014 by P.L.6-2012, SEC.48.)

IC 6-3-1-4
"Department"
Sec. 4. The term "department" means the Indiana department of state revenue.
(Formerly: Acts 1963(ss), c.32, s.104.)

IC 6-3-1-5
"Employer"
Sec. 5. The term "employer" means "employer" as defined in section 3401(d) of the Internal Revenue Code.
(Formerly: Acts 1963(ss), c.32, s.105.)

IC 6-3-1-6
"Employee"
Sec. 6. The term "employee" means "employee" as defined in section 3401(c) of the Internal Revenue Code.
(Formerly: Acts 1963(ss), c.32, s.106.)

IC 6-3-1-7
"Fiduciary"
Sec. 7. "Fiduciary" means any guardian, trustee, executor, administrator, receiver, conservator, or any person, whether individual or corporate, acting in any fiduciary capacity for any individual, trust, guardian, or estate.
(Formerly: Acts 1963(ss), c.32, s.107.) As amended by P.L.33-1989, SEC.4.

IC 6-3-1-8
"Gross income"
Sec. 8. The term "gross income" shall mean gross income as defined by section 61(a) of the Internal Revenue Code.
(Formerly: Acts 1963(ss), c.32, s.108.)

IC 6-3-1-9
"Individual"
Sec. 9. The term "individual" means a natural person, whether married or unmarried, adult or minor.
(Formerly: Acts 1963(ss), c.32, s.109.)

IC 6-3-1-10
"Corporation"
Sec. 10. As used in this article, "corporation" includes all corporations, associations, real estate investment trusts (as defined in the Internal Revenue Code), joint stock companies, whether organized for profit or not-for-profit, any receiver, trustee or conservator thereof, business trusts, Massachusetts trusts, any proprietorship or partnership taxable under Section 1361 of the Internal Revenue Code, and any publicly traded partnership that is treated as a corporation for federal income tax purposes under Section 7704 of the Internal Revenue Code. The term includes life

insurance companies (as defined in Section 816(a) of the Internal Revenue Code) and insurance companies subject to tax under Section 831 of the Internal Revenue Code.

(Formerly: Acts 1963(ss), c.32, s.110; Acts 1965, c.233, s.2; Acts 1973, P.L.49, SEC.2.) As amended by P.L.2-1987, SEC.16; P.L.63-1988, SEC.4; P.L.192-2002(ss), SEC.68.

IC 6-3-1-11

"Internal Revenue Code"

Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, 2013.

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, 2011, that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, 2011, shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, 2013, that is effective for any taxable year that began before January 1, 2013, and that affects:

(1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);

(2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);

(3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);

(4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);

(5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or

(6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under section 3.5 of this chapter.

(d) This subsection applies to a taxable year ending before January 1, 2013. The following provisions of the Internal Revenue Code that were amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are treated as though they were not amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312):

(1) Section 1367(a)(2) of the Internal Revenue Code pertaining to an adjustment of basis of the stock of shareholders.

(2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal

Revenue Code pertaining the treatment of certain dividends of regulated investment companies.

(3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code pertaining to regulated investment companies qualified entity treatment.

(4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code pertaining to the modification of tax treatment of certain payments to controlling exempt organizations.

(5) Section 613A(c)(6)(H)(ii) of the Internal Revenue Code pertaining to the limitations on percentage depletion in the case of oil and gas wells.

(6) Section 451(i)(3) of the Internal Revenue Code pertaining to special rule for sales or dispositions to implement Federal Energy Regulatory Commission or state electric restructuring policy for qualified electric utilities.

(7) Section 954(c)(6) of the Internal Revenue Code pertaining to the look-through treatment of payments between related controlled foreign corporation under foreign personal holding company rules.

The department shall develop forms and adopt any necessary rules under IC 4-22-2 to implement this subsection.

(Formerly: Acts 1963(ss), c.32, s.111; Acts 1965, c.233, s.3; Acts 1967, c.345, s.2; Acts 1969, c.326, s.2; Acts 1971, P.L.64, SEC.2; Acts 1973, P.L.49, SEC.3; Acts 1975, P.L.60, SEC.1.) As amended by Acts 1977, P.L.78, SEC.1; Acts 1978, P.L.44, SEC.1; Acts 1979, P.L.67, SEC.1; Acts 1980, P.L.55, SEC.1; Acts 1981, P.L.82, SEC.2; Acts 1982, P.L.52, SEC.2; P.L.82-1983, SEC.2; P.L.49-1984, SEC.2; P.L.74-1985, SEC.1; P.L.71-1986, SEC.1; P.L.2-1987, SEC.17; P.L.63-1988, SEC.5; P.L.89-1989, SEC.1; P.L.35-1990, SEC.11; P.L.64-1991, SEC.1; P.L.43-1992, SEC.9; P.L.74-1993, SEC.1; P.L.19-1994, SEC.7; P.L.85-1995, SEC.9; P.L.60-1997, SEC.2; P.L.119-1998, SEC.4; P.L.2-2000, SEC.1; P.L.9-2001, SEC.1; P.L.177-2002, SEC.11; P.L.192-2002(ss), SEC.69; P.L.105-2003, SEC.2; P.L.246-2005, SEC.70; P.L.184-2006, SEC.4; P.L.234-2007, SEC.41; P.L.131-2008, SEC.12; P.L.182-2009(ss), SEC.188; P.L.113-2010, SEC.54; P.L.229-2011, SEC.84; P.L.137-2012, SEC.53; P.L.205-2013, SEC.81.

IC 6-3-1-12
"Resident"

Sec. 12. The term "resident" includes (a) any individual who was domiciled in this state during the taxable year, or (b) any individual who maintains a permanent place of residence in this state and spends more than one hundred eighty-three (183) days of the taxable year within this state, or (c) any estate of a deceased person defined in (a) or (b), or (d) any trust which has a situs within this state.

(Formerly: Acts 1963(ss), c.32, s.112.)

IC 6-3-1-13
"Nonresident"

Sec. 13. The term "nonresident" means any person who is not a resident of Indiana.
(Formerly: Acts 1963(ss), c.32, s.113.)

IC 6-3-1-14
"Person"
Sec. 14. The term "person" means an individual, trust or estate: Provided, That no corporation shall be considered to be a person.
(Formerly: Acts 1963(ss), c.32, s.114.)

IC 6-3-1-15
"Taxpayer"
Sec. 15. The term "taxpayer" means any person or any corporation subject to taxation under this article.
(Formerly: Acts 1963(ss), c.32, s.115.) As amended by P.L.2-1988, SEC.5.

IC 6-3-1-16
"Taxable year"
Sec. 16. The term "taxable year" with respect to any taxpayer means the taxable year of such taxpayer as shown on his return required to be filed or filed pursuant to the Internal Revenue Code. Where a taxpayer does not file a return pursuant to the Internal Revenue Code, his taxable year shall be the calendar year.
(Formerly: Acts 1963(ss), c.32, s.116.)

IC 6-3-1-17
Repealed
(Repealed by P.L.35-1990, SEC.80.)

IC 6-3-1-18
Repealed
(Repealed by P.L.1-1991, SEC.51.)

IC 6-3-1-19
"Partnership" and "partner"
Sec. 19. (a) The term "partnership" includes a syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this chapter, a corporation or a trust or an estate. The term also includes a limited liability company that is treated as a partnership for federal income tax purposes.
(b) The term "partner" means a member of a partnership.
(Formerly: Acts 1963(ss), c.32, s.119; Acts 1965, c.233, s.6.) As amended by P.L.2-1988, SEC.6; P.L.8-1993, SEC.83; P.L.1-1994, SEC.27.

IC 6-3-1-19.5
Repealed

(Repealed by P.L.47-1984, SEC.7(a).)

IC 6-3-1-20
"Business income"

Sec. 20. The term "business income" means income arising from transactions and activity in the regular course of the taxpayer's trade or business and includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitutes integral parts of the taxpayer's regular trade or business operations.
(Formerly: Acts 1963(ss), c.32, s.120; Acts 1965, c.233, s.7.)

IC 6-3-1-21
"Nonbusiness income"

Sec. 21. The term "nonbusiness income" means all income other than business income.
(Formerly: Acts 1963(ss), c.32, s.121; Acts 1965, c.233, s.8.)

IC 6-3-1-22
"Commercial domicile"

Sec. 22. The term "commercial domicile" means the principal place from which the trade or business of the taxpayer is directed or managed.
(Formerly: Acts 1963(ss), c.32, s.122; Acts 1965, c.233, s.9.)

IC 6-3-1-23
"Compensation"

Sec. 23. The term "compensation" means wages, salaries, commissions and any other form of remuneration paid to employees for personal services.
(Formerly: Acts 1963(ss), c.32, s.123; Acts 1965, c.233, s.10.)

IC 6-3-1-24
"Sales"

Sec. 24. The term "sales" means all gross receipts of the taxpayer not allocated under IC 6-3-2-2(g) through IC 6-3-2-2(k), other than compensation (as defined in section 23 of this chapter).
(Formerly: Acts 1963(ss), c.32, s.124; Acts 1965, c.233, s.11.) As amended by P.L.2-1988, SEC.7.

IC 6-3-1-25
"State"

Sec. 25. The term "state" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign country or political subdivision thereof.
(Formerly: Acts 1963(ss), c.32, s.125; Acts 1965, c.233, s.12.)

IC 6-3-1-26
"Foreign corporation"

Sec. 26. "Foreign corporation" means a foreign corporation as defined in Section 7701 of the Internal Revenue Code.
As added by P.L.75-1985, SEC.1.

IC 6-3-1-27
"United States"
Sec. 27. "United States", when used in a geographical sense, means the United States as defined in Section 7701 of the Internal Revenue Code.
As added by P.L.75-1985, SEC.2.

IC 6-3-1-28
"Combined income tax return"
Sec. 28. "Combined income tax return" means any income tax return on which one (1) or more taxpayers report income, deductions, and credits on a combined basis with one (1) or more other entities.
As added by P.L.75-1985, SEC.3.

IC 6-3-1-29
"Eligible individual"
Sec. 29. As used in this chapter, "eligible individual" means:
(1) a person who was systematically persecuted for racial or religious reasons by Nazi Germany or any other Axis regime; or
(2) an heir of a person described in subdivision (1).
As added by P.L.128-1999, SEC.2.

IC 6-3-1-30
"Holocaust victim's settlement payment"
Sec. 30. As used in this chapter, "Holocaust victim's settlement payment" means a payment received:
(1) as a result of the settlement of the action entitled "In re Holocaust Victims' Asset Litigation", (E.D. NY) C.A. No. 96-4849;
(2) under the German Act Regulating Unresolved Property Claims;
(3) under any other foreign law providing payments for Holocaust claims; or
(4) as a result of the settlement of any other Holocaust claim, including:
(A) insurance claims;
(B) claims relating to looted art;
(C) claims relating to looted financial assets; or
(D) claims relating to slave labor wages.
As added by P.L.128-1999, SEC.3.

IC 6-3-1-31
"Victim of the September 11 terrorist attack"
Sec. 31. As used in this article, "victim of the September 11 terrorist attack" means an individual who:

(1) died from the crash (including those on the airplane and those on the ground) of any of the four (4) commercial jet airplanes that were hijacked in the United States on September 11, 2001; or

(2) is a child or spouse of an individual described in subdivision (1).

As added by P.L.8-2002, SEC.1.

IC 6-3-1-32
"September 11 terrorist attack settlement payment"

Sec. 32. As used in this article, "September 11 terrorist attack settlement payment" means any compensation paid to a victim of the September 11 terrorist attack:

(1) in recognition of; or

(2) to compensate for;

losses incurred by the victim as a result of the crash of any of the four (4) commercial jet airplanes that were hijacked in the United States on September 11, 2001.

As added by P.L.8-2002, SEC.2.

IC 6-3-1-33
"Bonus depreciation"

Sec. 33. As used in this article, "bonus depreciation" means an amount equal to that part of any depreciation allowance allowed in computing the taxpayer's federal adjusted gross income or federal taxable income that is attributable to the additional first-year special depreciation allowance (bonus depreciation) for qualified property allowed under Section 168(k) of the Internal Revenue Code, including the special depreciation allowance for 50-percent bonus depreciation property.

As added by P.L.105-2003, SEC.3. Amended by P.L.246-2005, SEC.71.

IC 6-3-1-34
"Qualified military income"

Sec. 34. "Qualified military income" means wages that are paid:

(1) to a member of:

(A) a reserve component of the armed forces of the United States; or

(B) the National Guard; and

(2) for any of the following applicable periods, or any combination of the following applicable periods, in a calendar year:

(A) The member's full-time service on involuntary orders in:

(i) a reserve component of the armed forces of the United States; or

(ii) the National Guard.

(B) The period during which the member is mobilized and deployed for full-time service in:

(i) a reserve component of the armed forces of the United

States; or
(ii) the National Guard.
(C) The period during which the member's National Guard unit is federalized.

As added by P.L.144-2007, SEC.4.

IC 6-3-1-34.5
"Captive real estate investment trust"

Sec. 34.5. (a) Except as provided in subsection (b), "captive real estate investment trust" means a corporation, a trust, or an association:

(1) that is considered a real estate investment trust for the taxable year under Section 856 of the Internal Revenue Code;
(2) that is not regularly traded on an established securities market; and
(3) in which more than fifty percent (50%) of the:
(A) voting power;
(B) beneficial interests; or
(C) shares;
are owned or controlled, directly or constructively, by a single entity that is subject to Subchapter C of Chapter 1 of the Internal Revenue Code.

(b) The term does not include a corporation, a trust, or an association in which more than fifty percent (50%) of the entity's voting power, beneficial interests, or shares are owned by a single entity described in subsection (a)(3) that is owned or controlled, directly or constructively, by:

(1) a corporation, a trust, or an association that is considered a real estate investment trust under Section 856 of the Internal Revenue Code;
(2) a person exempt from taxation under Section 501 of the Internal Revenue Code;
(3) a listed property trust or other foreign real estate investment trust that is organized in a country that has a tax treaty with the United States Treasury Department governing the tax treatment of these trusts; or
(4) a real estate investment trust that:
(A) is intended to become regularly traded on an established securities market; and
(B) satisfies the requirements of Section 856(a)(5) and Section 856(a)(6) of the Internal Revenue Code under Section 856(h) of the Internal Revenue Code.

(c) For purposes of this section, the constructive ownership rules of Section 318 of the Internal Revenue Code, as modified by Section 856(d)(5) of the Internal Revenue Code, apply to the determination of the ownership of stock, assets, or net profits of any person.

As added by P.L.211-2007, SEC.20. Amended by P.L.182-2009(ss), SEC.189.

IC 6-3-1-35

"Pass through entity"

Sec. 35. As used in this article, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a trust;

(4) a limited liability company; or

(5) a limited liability partnership.

As added by P.L.182-2009(ss), SEC.190.

IC 6-3-2

Chapter 2. Imposition of Tax and Deductions

IC 6-3-2-0.3

Intent of general assembly adding section 2.3 of this chapter

Sec. 0.3. It is the intent of the general assembly that the addition of section 2.3 of this chapter by P.L.70-1993 be construed liberally in favor of persons, corporations, partnerships, or other entities contracting with commercial printers.

As added by P.L.220-2011, SEC.138.

IC 6-3-2-1

Tax rate

Sec. 1. (a) Each taxable year, a tax at the following rate of adjusted gross income is imposed upon the adjusted gross income of every resident person, and on that part of the adjusted gross income derived from sources within Indiana of every nonresident person:

(1) For taxable years beginning before January 1, 2015, three and four-tenths percent (3.4%).

(2) For taxable years beginning after December 31, 2014, and before January 1, 2017, three and three-tenths percent (3.3%).

(3) For taxable years beginning after December 31, 2016, three and twenty-three hundredths percent (3.23%).

(b) Except as provided in section 1.5 of this chapter, each taxable year, a tax at the following rate of adjusted gross income is imposed on that part of the adjusted gross income derived from sources within Indiana of every corporation:

(1) Before July 1, 2012, eight and five-tenths percent (8.5%).

(2) After June 30, 2012, and before July 1, 2013, eight percent (8.0%).

(3) After June 30, 2013, and before July 1, 2014, seven and five-tenths percent (7.5%).

(4) After June 30, 2014, and before July 1, 2015, seven percent (7.0%).

(5) After June 30, 2015, and before July 1, 2016, six and five-tenths percent (6.5%).

(6) After June 30, 2016, and before July 1, 2017, six and twenty-five hundredths percent (6.25%).

(7) After June 30, 2017, and before July 1, 2018, six percent (6.0%).

(8) After June 30, 2018, and before July 1, 2019, five and seventy-five hundredths percent (5.75%).

(9) After June 30, 2019, and before July 1, 2020, five and five-tenths percent (5.5%).

(10) After June 30, 2020, and before July 1, 2021, five and twenty-five hundredths percent (5.25%).

(11) After June 30, 2021, four and nine-tenths percent (4.9%).

(c) If for any taxable year a taxpayer is subject to different tax rates under subsection (b), the taxpayer's tax rate for that taxable year is the rate determined in the last STEP of the following STEPS:

STEP ONE: Multiply the number of months in the taxpayer's taxable year that precede the month the rate changed by the rate in effect before the rate change.

STEP TWO: Multiply the number of months in the taxpayer's taxable year that follow the month before the rate changed by the rate in effect after the rate change.

STEP THREE: Divide the sum of the amounts determined under STEPS ONE and TWO by twelve (12).

However, the rate determined under this subsection shall be rounded to the nearest one-hundredth of one percent (0.01%).

(Formerly: Acts 1963(ss), c.32, s.201; Acts 1973, P.L.50, SEC.1.) As amended by Acts 1979, P.L.68, SEC.1; Acts 1981, P.L.77, SEC.8; P.L.2-1982(ss), SEC.8; P.L.47-1984, SEC.4; P.L.390-1987(ss), SEC.37; P.L.192-2002(ss), SEC.70; P.L.81-2004, SEC.20; P.L.172-2011, SEC.54; P.L.205-2013, SEC.82; P.L.80-2014, SEC.9.

IC 6-3-2-1.5

"Qualified area"; tax rate in qualified area

Sec. 1.5. (a) As used in this section, "qualified area" means:

(1) a military base (as defined in IC 36-7-30-1(c));

(2) a military base reuse area established under IC 36-7-30;

(3) the part of an economic development area established under IC 36-7-14.5-12.5 that is or formerly was a military base (as defined in IC 36-7-30-1(c)); or

(4) a qualified military base enhancement area established under IC 36-7-34.

(b) Except as provided in subsection (e), a tax at the rate of five percent (5%) of adjusted gross income is imposed on that part of the adjusted gross income of a corporation that is derived from sources within a qualified area if the corporation locates all or part of its operations in a qualified area during the taxable year, as determined under subsection (g). The tax rate under this section applies to the taxable year in which the corporation locates its operations in the qualified area and to the next succeeding four (4) taxable years.

(c) In the case of a corporation that locates all or part of its operations in a qualified military base enhancement area established under IC 36-7-34-4(1), the tax rate imposed under this section applies to the corporation only if the corporation meets at least one (1) of the following criteria:

(1) The corporation is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(2) The corporation is a United States Department of Defense contractor.

(3) The corporation and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the corporation and the United States Department of Defense.

(d) In the case of a business that uses the services or commodities in a qualified military base enhancement area established under

IC 36-7-34-4(2), the business must satisfy at least one (1) of the following criteria:

(1) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(2) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the qualified military base (as defined in IC 36-7-34-3).

(e) A taxpayer is not entitled to the tax rate described in subsection (b) to the extent that the taxpayer substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations within the qualified area, unless:

(1) the taxpayer had existing operations in the qualified area; and

(2) the operations relocated to the qualified area are an expansion of the taxpayer's operations in the qualified area.

(f) A determination under subsection (e) that a taxpayer is not entitled to the tax rate provided by this section as a result of a substantial reduction or cessation of operations applies to the taxable year in which the substantial reduction or cessation occurs and in all subsequent years. Determinations under this section shall be made by the department of state revenue.

(g) The department of state revenue:

(1) shall adopt rules under IC 4-22-2 to establish a procedure for determining the part of a corporation's adjusted gross income that was derived from sources within a qualified area; and

(2) may adopt other rules that the department considers necessary for the implementation of this chapter.

As added by P.L.81-2004, SEC.21. Amended by P.L.190-2005, SEC.2; P.L.203-2005, SEC.4; P.L.180-2006, SEC.4; P.L.288-2013, SEC.32.

IC 6-3-2-2

"Adjusted gross income derived from sources within Indiana"; apportionment; payroll factor; sales factor; property factor; pass through entities

Sec. 2. (a) With regard to corporations and nonresident persons, "adjusted gross income derived from sources within Indiana", for the purposes of this article, shall mean and include:

(1) income from real or tangible personal property located in this state;

(2) income from doing business in this state;

(3) income from a trade or profession conducted in this state;

(4) compensation for labor or services rendered within this state; and

(5) income from stocks, bonds, notes, bank deposits, patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other intangible personal property to the extent that the income is apportioned to

Indiana under this section or if the income is allocated to Indiana or considered to be derived from sources within Indiana under this section.

Income from a pass through entity shall be characterized in a manner consistent with the income's characterization for federal income tax purposes and shall be considered Indiana source income as if the person, corporation, or pass through entity that received the income had directly engaged in the income producing activity. Income that is derived from one (1) pass through entity and is considered to pass through to another pass through entity does not change these characteristics or attribution provisions. In the case of nonbusiness income described in subsection (g), only so much of such income as is allocated to this state under the provisions of subsections (h) through (k) shall be deemed to be derived from sources within Indiana. In the case of business income, only so much of such income as is apportioned to this state under the provision of subsection (b) shall be deemed to be derived from sources within the state of Indiana. In the case of compensation of a team member (as defined in section 2.7 of this chapter), only the portion of income determined to be Indiana income under section 2.7 of this chapter is considered derived from sources within Indiana. In the case of a corporation that is a life insurance company (as defined in Section 816(a) of the Internal Revenue Code) or an insurance company that is subject to tax under Section 831 of the Internal Revenue Code, only so much of the income as is apportioned to Indiana under subsection (r) is considered derived from sources within Indiana.

(b) Except as provided in subsection (l), if business income of a corporation or a nonresident person is derived from sources within the state of Indiana and from sources without the state of Indiana, the business income derived from sources within this state shall be determined by multiplying the business income derived from sources both within and without the state of Indiana by the following:

(1) For all taxable years that begin after December 31, 2006, and before January 1, 2008, a fraction. The:

(A) numerator of the fraction is the sum of the property factor plus the payroll factor plus the product of the sales factor multiplied by three (3); and

(B) denominator of the fraction is five (5).

(2) For all taxable years that begin after December 31, 2007, and before January 1, 2009, a fraction. The:

(A) numerator of the fraction is the property factor plus the payroll factor plus the product of the sales factor multiplied by four and sixty-seven hundredths (4.67); and

(B) denominator of the fraction is six and sixty-seven hundredths (6.67).

(3) For all taxable years beginning after December 31, 2008, and before January 1, 2010, a fraction. The:

(A) numerator of the fraction is the property factor plus the payroll factor plus the product of the sales factor multiplied by eight (8); and

(B) denominator of the fraction is ten (10).

(4) For all taxable years beginning after December 31, 2009, and before January 1, 2011, a fraction. The:

(A) numerator of the fraction is the property factor plus the payroll factor plus the product of the sales factor multiplied by eighteen (18); and

(B) denominator of the fraction is twenty (20).

(5) For all taxable years beginning after December 31, 2010, the sales factor.

(c) The property factor is a fraction, the numerator of which is the average value of the taxpayer's real and tangible personal property owned or rented and used in this state during the taxable year and the denominator of which is the average value of all the taxpayer's real and tangible personal property owned or rented and used during the taxable year. However, with respect to a foreign corporation, the denominator does not include the average value of real or tangible personal property owned or rented and used in a place that is outside the United States. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at eight (8) times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals. The average of property shall be determined by averaging the values at the beginning and ending of the taxable year, but the department may require the averaging of monthly values during the taxable year if reasonably required to reflect properly the average value of the taxpayer's property.

(d) The payroll factor is a fraction, the numerator of which is the total amount paid in this state during the taxable year by the taxpayer for compensation, and the denominator of which is the total compensation paid everywhere during the taxable year. However, with respect to a foreign corporation, the denominator does not include compensation paid in a place that is outside the United States. Compensation is paid in this state if:

(1) the individual's service is performed entirely within the state;

(2) the individual's service is performed both within and without this state, but the service performed without this state is incidental to the individual's service within this state; or

(3) some of the service is performed in this state and:

(A) the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in this state; or

(B) the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed, but the individual is a resident of this state.

(e) The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in this state during the taxable year, and the denominator of which is the total sales of the taxpayer everywhere during the taxable year. Sales include receipts from intangible property and receipts from the sale or exchange of intangible

property. However, with respect to a foreign corporation, the denominator does not include sales made in a place that is outside the United States. Receipts from intangible personal property are derived from sources within Indiana if the receipts from the intangible personal property are attributable to Indiana under section 2.2 of this chapter. Regardless of the f.o.b. point or other conditions of the sale, sales of tangible personal property are in this state if:

(1) the property is delivered or shipped to a purchaser that is within Indiana, other than the United States government; or

(2) the property is shipped from an office, a store, a warehouse, a factory, or other place of storage in this state and:

(A) the purchaser is the United States government; or

(B) the taxpayer is not taxable in the state of the purchaser.

Gross receipts derived from commercial printing as described in IC 6-2.5-1-10 shall be treated as sales of tangible personal property for purposes of this chapter.

(f) Sales, other than receipts from intangible property covered by subsection (e) and sales of tangible personal property, are in this state if:

(1) the income-producing activity is performed in this state; or

(2) the income-producing activity is performed both within and without this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

(g) Rents and royalties from real or tangible personal property, capital gains, interest, dividends, or patent or copyright royalties, to the extent that they constitute nonbusiness income, shall be allocated as provided in subsections (h) through (k).

(h)(1) Net rents and royalties from real property located in this state are allocable to this state.

(2) Net rents and royalties from tangible personal property are allocated to this state:

(i) if and to the extent that the property is utilized in this state; or

(ii) in their entirety if the taxpayer's commercial domicile is in this state and the taxpayer is not organized under the laws of or taxable in the state in which the property is utilized.

(3) The extent of utilization of tangible personal property in a state is determined by multiplying the rents and royalties by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year, and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, tangible personal property is utilized in the state in which the property was located at the time the rental or royalty payer obtained possession.

(i)(1) Capital gains and losses from sales of real property located in this state are allocable to this state.

(2) Capital gains and losses from sales of tangible personal property are allocable to this state if:

(i) the property had a situs in this state at the time of the sale; or

(ii) the taxpayer's commercial domicile is in this state and the taxpayer is not taxable in the state in which the property had a situs.

(3) Capital gains and losses from sales of intangible personal property are allocable to this state if the taxpayer's commercial domicile is in this state.

(j) Interest and dividends are allocable to this state if the taxpayer's commercial domicile is in this state.

(k)(1) Patent and copyright royalties are allocable to this state:

(i) if and to the extent that the patent or copyright is utilized by the taxpayer in this state; or

(ii) if and to the extent that the patent or copyright is utilized by the taxpayer in a state in which the taxpayer is not taxable and the taxpayer's commercial domicile is in this state.

(2) A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state or to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the patent is utilized in the state in which the taxpayer's commercial domicile is located.

(3) A copyright is utilized in a state to the extent that printing or other publication originates in the state. If the basis of receipts from copyright royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the copyright is utilized in the state in which the taxpayer's commercial domicile is located.

(l) If the allocation and apportionment provisions of this article do not fairly represent the taxpayer's income derived from sources within the state of Indiana, the taxpayer may petition for or the department may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

(1) separate accounting;

(2) for a taxable year beginning before January 1, 2011, the exclusion of any one (1) or more of the factors, except the sales factor;

(3) the inclusion of one (1) or more additional factors which will fairly represent the taxpayer's income derived from sources within the state of Indiana; or

(4) the employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

(m) In the case of two (2) or more organizations, trades, or businesses owned or controlled directly or indirectly by the same interests, the department shall distribute, apportion, or allocate the income derived from sources within the state of Indiana between and among those organizations, trades, or businesses in order to fairly reflect and report the income derived from sources within the state of

Indiana by various taxpayers.

(n) For purposes of allocation and apportionment of income under this article, a taxpayer is taxable in another state if:

(1) in that state the taxpayer is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax; or

(2) that state has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the state does or does not.

(o) Notwithstanding subsections (l) and (m), the department may not, under any circumstances, require that income, deductions, and credits attributable to a taxpayer and another entity be reported in a combined income tax return for any taxable year, if the other entity is:

(1) a foreign corporation; or

(2) a corporation that is classified as a foreign operating corporation for the taxable year by section 2.4 of this chapter.

(p) Notwithstanding subsections (l) and (m), the department may not require that income, deductions, and credits attributable to a taxpayer and another entity not described in subsection (o)(1) or (o)(2) be reported in a combined income tax return for any taxable year, unless the department is unable to fairly reflect the taxpayer's adjusted gross income for the taxable year through use of other powers granted to the department by subsections (l) and (m).

(q) Notwithstanding subsections (o) and (p), one (1) or more taxpayers may petition the department under subsection (l) for permission to file a combined income tax return for a taxable year. The petition to file a combined income tax return must be completed and filed with the department not more than thirty (30) days after the end of the taxpayer's taxable year. A taxpayer filing a combined income tax return must petition the department within thirty (30) days after the end of the taxpayer's taxable year to discontinue filing a combined income tax return.

(r) This subsection applies to a corporation that is a life insurance company (as defined in Section 816(a) of the Internal Revenue Code) or an insurance company that is subject to tax under Section 831 of the Internal Revenue Code. The corporation's adjusted gross income that is derived from sources within Indiana is determined by multiplying the corporation's adjusted gross income by a fraction:

(1) the numerator of which is the direct premiums and annuity considerations received during the taxable year for insurance upon property or risks in the state; and

(2) the denominator of which is the direct premiums and annuity considerations received during the taxable year for insurance upon property or risks everywhere.

The term "direct premiums and annuity considerations" means the gross premiums received from direct business as reported in the corporation's annual statement filed with the department of insurance.

(s) This subsection applies to receipts derived from motorsports racing.

(1) Any purse, prize money, or other amounts earned for placement or participation in a race or portion thereof, including qualification, shall be attributed to Indiana if the race is conducted in Indiana.

(2) Any amounts received from an individual or entity as a result of sponsorship or similar promotional consideration for one (1) or more races shall be in this state in the amount received, multiplied by the following fraction:

(A) The numerator of the fraction is the number of racing events for which sponsorship or similar promotional consideration has been paid in a taxable year and that occur in Indiana.

(B) The denominator of the fraction is the total number of racing events for which sponsorship or similar promotional consideration has been paid in a taxable year.

(3) Any amounts earned as an incentive for placement or participation in one (1) or more races and that are not covered under subdivisions (1) or (2) or under IC 6-3-2-3.2 shall be attributed to Indiana in the proportion of the races that occurred in Indiana.

This subsection, as enacted in 2013, is intended to be a clarification of the law and not a substantive change in the law.

(Formerly: Acts 1963(ss), c.32, s.204; Acts 1965, c.233, s.13; Acts 1971, P.L.64, SEC.4.) As amended by P.L.82-1983, SEC.4; P.L.16-1984, SEC.4; P.L.75-1985, SEC.4; P.L.78-1989, SEC.8; P.L.347-1989(ss), SEC.6; P.L.65-1991, SEC.1; P.L.71-1993, SEC.13; P.L.63-1997, SEC.1; P.L.192-2002(ss), SEC.71; P.L.162-2006, SEC.25; P.L.182-2009(ss), SEC.191; P.L.172-2011, SEC.55; P.L.233-2013, SEC.7.

IC 6-3-2-2.1

Income from sources within Indiana not caused by doing business with qualified third party logistics providers; requirements; limitations; certification program

Sec. 2.1. (a) This section applies only to taxable years beginning after December 31, 2013.

(b) The following definitions apply throughout this section:

(1) "Qualified logistics services" means the provision of the warehousing, management, distribution, transportation, or other services on behalf of an unrelated party with respect to, but without taking title to, the qualified property of the unrelated party.

(2) "Qualified property" means legend drugs (as defined in IC 16-18-2-199), devices (as defined in IC 16-18-2-94), or medical supplies.

(3) "Qualified third party logistics provider" means an entity that:

(A) is licensed under IC 25-26-14;

(B) is certified by the Indiana economic development corporation under subsection (d); and

(C) provides qualified logistics services.

(4) "Unrelated party" means an entity that, with respect to a qualified third party logistics provider:

(A) is not a member of the same affiliated group within the meaning of IC 6-3-2-20(a)(1);

(B) is not related within the meaning of Section 267 of the Internal Revenue Code; and

(C) is not related within the meaning of Section 707(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this article, with respect to an entity that has contracted with a qualified third party logistics provider for qualified logistics services, the:

(1) ownership or leasing by that entity of tangible or intangible property located at the Indiana premises of the qualified third party logistics provider;

(2) sale by that entity of qualified property shipped or distributed from the Indiana premises of the qualified third party logistics provider;

(3) activities of any kind performed by or on behalf of that entity at the Indiana premises of the qualified third party logistics provider; and

(4) activities performed by the qualified third party logistics provider in Indiana for or on behalf of that entity;

shall not cause that entity to have adjusted gross income derived from sources within Indiana for purposes of the taxes imposed by this chapter, unless that entity engages in other activities in Indiana away from the premises of the qualified third party logistics provider that exceed the protection of 15 U.S.C. 381.

(d) The Indiana economic development corporation shall develop and administer a program through which it certifies logistics providers as qualified third party logistics providers.

(e) This section expires January 1, 2016.

As added by P.L.190-2014, SEC.13.

IC 6-3-2-2.2

Interest income, discounts, and receipts attributable to state

Sec. 2.2. (a) Interest income and other receipts from assets in the nature of loans or installment sales contracts that are primarily secured by or deal with real or tangible personal property are attributable to this state if the security or sale property is located in Indiana.

(b) Interest income and other receipts from consumer loans not secured by real or tangible personal property are attributable to this state if the loan is made to a resident of Indiana, whether at a place of business, by a traveling loan officer, by mail, by telephone, or by other electronic means.

(c) Interest income and other receipts from commercial loans and installment obligations not secured by real or tangible personal property are attributable to this state if the proceeds of the loan are to be applied in Indiana. If it cannot be determined where the funds are

to be applied, the income and receipts are attributable to the state in which the business applied for the loan. As used in this section, "applied for" means initial inquiry (including customer assistance in preparing the loan application) or submission of a completed loan application, whichever occurs first.

(d) Interest income, merchant discount, and other receipts including service charges from financial institution credit card and travel and entertainment credit card receivables and credit card holders' fees are attributable to the state to which the card charges and fees are regularly billed.

(e) Receipts from the performance of fiduciary and other services are attributable to the state in which the benefits of the services are consumed. If the benefits are consumed in more than one (1) state, the receipts from those benefits are attributable to this state on a pro rata basis according to the portion of the benefits consumed in Indiana.

(f) Receipts from the issuance of traveler's checks, money orders, or United States savings bonds are attributable to the state in which the traveler's checks, money orders, or bonds are purchased.

(g) Receipts in the form of dividends from investments are attributable to this state if the taxpayer's commercial domicile is in Indiana.

As added by P.L.347-1989(ss), SEC.7.

IC 6-3-2-2.3

In-state commercial printing for out-of-state customer

Sec. 2.3. Notwithstanding any other provision of this article, with respect to a person, corporation, or partnership that has contracted with a commercial printer for printing:

(1) the ownership or leasing by that entity of tangible or intangible property located at the Indiana premises of the commercial printer;

(2) the sale by that entity of property of any kind produced at and shipped or distributed from the Indiana premises of the commercial printer;

(3) the activities of any kind performed by or on behalf of that entity at the Indiana premises of the commercial printer; and

(4) the activities performed by the commercial printer in Indiana for or on behalf of that entity;

shall not cause that entity to have adjusted gross income derived from sources within Indiana for purposes of the taxes imposed by this chapter, unless that entity engages in other activities in Indiana away from the premises of the commercial printer that exceed the protection of 15 U.S.C. 381.

As added by P.L.70-1993, SEC.6. Amended by P.L.192-2002(ss), SEC.72.

IC 6-3-2-2.4

Foreign operating corporations; determination of percentage of business activity outside United States

Sec. 2.4. (a) For purposes of section 2(o) of this chapter, a corporation is a foreign operating corporation for a particular taxable year if it has eighty percent (80%) or more of its total business activity occurring outside the United States during the taxable year.

(b) For purposes of determining the amount of a corporation's business activity that occurs within the United States, the department shall determine the sum of that corporation's United States property factor and its United States payroll factor and divide that sum by two (2). If the quotient exceeds two-tenths (0.2), then less than eighty percent (80%) of the corporation's business shall be considered to have occurred outside the United States. If the quotient equals or is less than two-tenths (0.2), then eighty percent (80%) or more of the corporation's business shall be considered to have occurred outside the United States. If a corporation's United States property factor or its United States payroll factor has a denominator of zero (0), then the sum of the two (2) factors shall be divided by one (1) and not by two (2).

(c) The United States property factor of a corporation is a fraction. The numerator of the fraction is the average value of the corporation's real and tangible personal property owned or rented and used in the United States during the taxable year, and the denominator of the fraction is the average value of all the corporation's real and tangible personal property owned or rented and used anywhere in the world during the taxable year. Property owned by the corporation shall be valued at its original cost. Property rented by the corporation shall be valued at eight (8) times the net annual rental rate. The corporation's net annual rental rate is the annual rental rate paid by the corporation less any annual rental rate received by the corporation from subrentals. The average value of property shall be determined by averaging the values at the beginning and ending of the taxable year, but the department may require the averaging of monthly values during the taxable year if reasonably required to reflect properly the average value of the corporation's property.

(d) The United States payroll factor of a corporation is a fraction. The numerator of the fraction is the total compensation to individuals paid in the United States during the taxable year by the corporation, and the denominator of the fraction is the total compensation to individuals paid anywhere in the world during the taxable year by the corporation. Compensation to an individual is paid in the United States if:

(1) the individual's service is performed entirely within the United States;

(2) the individual's service is performed both within and outside the United States, but the service performed outside the United States is incidental to the individual's service within the United States; or

(3) the individual is a resident of the United States, some of the service is performed in the United States, and:

(A) the base of operations or, if there is no base of operations, the place from which the service is directed or

controlled is in the United States; or

(B) the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is not in a jurisdiction that is outside the United States and that is where some part of the service is performed.

As added by P.L.75-1985, SEC.5.

IC 6-3-2-2.5

Resident persons; net operating loss; adjusted gross income

Sec. 2.5. (a) This section applies to a resident person.

(b) Resident persons are entitled to a net operating loss deduction. The amount of the deduction taken in a taxable year may not exceed the taxpayer's unused Indiana net operating losses carried over to that year. A taxpayer is not entitled to carryback any net operating losses after December 31, 2011.

(c) An Indiana net operating loss equals the taxpayer's federal net operating loss for a taxable year as calculated under Section 172 of the Internal Revenue Code, adjusted for the modifications required by IC 6-3-1-3.5.

(d) The following provisions apply for purposes of subsection (c):

(1) The modifications that are to be applied are those modifications required under IC 6-3-1-3.5 for the same taxable year in which each net operating loss was incurred.

(2) An Indiana net operating loss includes a net operating loss that arises when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for the taxable year in which the Indiana net operating loss is determined.

(e) Subject to the limitations contained in subsection (g), an Indiana net operating loss carryover shall be available as a deduction from the taxpayer's adjusted gross income (as defined in IC 6-3-1-3.5) in the carryover year provided in subsection (f).

(f) Carryovers shall be determined under this subsection as follows:

(1) An Indiana net operating loss shall be an Indiana net operating loss carryover to each of the carryover years following the taxable year of the loss.

(2) Carryover years shall be determined by reference to the number of years allowed for carrying over net operating losses under Section 172(b) of the Internal Revenue Code.

(g) The entire amount of the Indiana net operating loss for any taxable year shall be carried to the earliest of the taxable years to which (as determined under subsection (f)) the loss may be carried. The amount of the Indiana net operating loss remaining after the deduction is taken under this section in a taxable year may be carried over as provided in subsection (f). The amount of the Indiana net operating loss carried over from year to year shall be reduced to the extent that the Indiana net operating loss carryover is used by the taxpayer to obtain a deduction in a taxable year until the occurrence

of the earlier of the following:

(1) The entire amount of the Indiana net operating loss has been used as a deduction.

(2) The Indiana net operating loss has been carried over to each of the carryover years provided by subsection (f).

As added by P.L.91-1987, SEC.3. Amended by P.L.81-2004, SEC.10; P.L.182-2009(ss), SEC.192; P.L.113-2010, SEC.55; P.L.172-2011, SEC.56.

IC 6-3-2-2.6

Corporations and nonresident persons; net operating losses

Sec. 2.6. (a) This section applies to a corporation or a nonresident person.

(b) Corporations and nonresident persons are entitled to a net operating loss deduction. The amount of the deduction taken in a taxable year may not exceed the taxpayer's unused Indiana net operating losses carried over to that year. A taxpayer is not entitled to carryback any net operating losses after December 31, 2011.

(c) An Indiana net operating loss equals the taxpayer's federal net operating loss for a taxable year as calculated under Section 172 of the Internal Revenue Code, derived from sources within Indiana and adjusted for the modifications required by IC 6-3-1-3.5.

(d) The following provisions apply for purposes of subsection (c):

(1) The modifications that are to be applied are those modifications required under IC 6-3-1-3.5 for the same taxable year in which each net operating loss was incurred.

(2) The amount of the taxpayer's net operating loss that is derived from sources within Indiana shall be determined in the same manner that the amount of the taxpayer's adjusted income derived from sources within Indiana is determined under section 2 of this chapter for the same taxable year during which each loss was incurred.

(3) An Indiana net operating loss includes a net operating loss that arises when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal taxable income (as defined in Section 63 of the Internal Revenue Code), if the taxpayer is a corporation, or when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal adjusted gross income (as defined by Section 62 of the Internal Revenue Code), if the taxpayer is a nonresident person, for the taxable year in which the Indiana net operating loss is determined.

(e) Subject to the limitations contained in subsection (g), an Indiana net operating loss carryover shall be available as a deduction from the taxpayer's adjusted gross income derived from sources within Indiana (as defined in section 2 of this chapter) in the carryover year provided in subsection (f).

(f) Carryovers shall be determined under this subsection as follows:

(1) An Indiana net operating loss shall be an Indiana net operating loss carryover to each of the carryover years

following the taxable year of the loss.

(2) Carryover years shall be determined by reference to the number of years allowed for carrying over net operating losses under Section 172(b) of the Internal Revenue Code.

(g) The entire amount of the Indiana net operating loss for any taxable year shall be carried to the earliest of the taxable years to which (as determined under subsection (f)) the loss may be carried. The amount of the Indiana net operating loss remaining after the deduction is taken under this section in a taxable year may be carried over as provided in subsection (f). The amount of the Indiana net operating loss carried over from year to year shall be reduced to the extent that the Indiana net operating loss carryover is used by the taxpayer to obtain a deduction in a taxable year until the occurrence of the earlier of the following:

(1) The entire amount of the Indiana net operating loss has been used as a deduction.

(2) The Indiana net operating loss has been carried over to each of the carryover years provided by subsection (f).

(h) An Indiana net operating loss deduction determined under this section shall be allowed notwithstanding the fact that in the year the taxpayer incurred the net operating loss the taxpayer was not subject to the tax imposed under section 1 of this chapter because the taxpayer was:

(1) a life insurance company (as defined in Section 816(a) of the Internal Revenue Code); or

(2) an insurance company subject to tax under Section 831 of the Internal Revenue Code.

(i) In the case of a life insurance company that claims an operations loss deduction under Section 810 of the Internal Revenue Code, this section shall be applied by:

(1) substituting the corresponding provisions of Section 810 of the Internal Revenue Code in place of references to Section 172 of the Internal Revenue Code; and

(2) substituting life insurance company taxable income (as defined in Section 801 the Internal Revenue Code) in place of references to taxable income (as defined in Section 63 of the Internal Revenue Code).

As added by P.L.91-1987, SEC.4. Amended by P.L.192-2002(ss), SEC.73; P.L.81-2004, SEC.11; P.L.2-2005, SEC.21; P.L.182-2009(ss), SEC.193; P.L.113-2010, SEC.56; P.L.172-2011, SEC.57.

IC 6-3-2-2.7

Team members; Indiana income; rules

Sec. 2.7. (a) As used in this section:

(1) "Bonus for services rendered as a team member" includes:

(A) a bonus earned as a result of play during the season, such as a performance bonus, including a bonus paid for a championship, playoff, or bowl game played by a team, or for selection to an all-star league or other honorary position;

and

(B) a bonus paid for signing a contract, unless all of the following conditions are met:

(i) The payment of the signing bonus is not conditional upon the signee playing any games for the team, performing any subsequent services for the team, or making the team.

(ii) The signing bonus is payable separately from the salary and any other compensation.

(iii) The signing bonus is nonrefundable.

(2) "Indiana duty days" means the number of total duty days spent by a team member within Indiana rendering a service for the team in any manner during the taxable year, except:

(A) travel days spent in Indiana that do not involve either a game, practice, team meeting, promotional caravan, or other similar team event; and

(B) those days spent in Indiana for which a team member is on the disabled list.

(3) "Team" includes a professional baseball, basketball, football, hockey, or soccer team that played games in Indiana or that had services rendered in Indiana by a team member.

(4) "Team member" includes employees who are active players, players on the disabled list, and any other individuals required to travel and who do travel with and perform services on behalf of a team on a regular basis. The term includes coaches, managers, and trainers.

(5) "Total duty days" means all days during the taxable year that a team member renders a service for the team, beginning with the team's official preseason training period through the last game in which the team competes or is scheduled to compete. The term includes days on which a team member renders a service for the team on a date that does not fall within this period. The term includes:

(A) game days, practice days, days spent at team meetings, days spent with a promotional caravan and at preseason training camps, and days served with the team through all postseason games in which the team competes or is scheduled to compete;

(B) days spent conducting training and rehabilitation activities, but only if the service is conducted at the facilities of the team;

(C) travel days that do not involve either a game, practice, team meeting, promotional caravan, or other similar team event;

(D) days spent participating in instructional leagues and all-star or pro bowl games; and

(E) days for which a team member is on the disabled list.

Total duty days for an individual who joins a team during the season begin on the day the individual joins the team, and, for an individual who leaves a team, end on the day the individual

leaves the team. When an individual changes teams during a taxable year, a separate duty day calculation must be made for the period the individual was with each team. Total duty days do not include those days for which a team member is not compensated and is not rendering a service for the team in any manner, including days when the team member has been suspended without pay and prohibited from performing any services for the team.

(6) "Total income" means the total compensation received during the taxable year for services rendered:

(A) from the beginning of the official preseason training period through the last game in which the team competes or is scheduled to compete during that taxable year; and

(B) on a date during the taxable year that does not fall within the period described in clause (A), such as participation in instructional leagues, an all-star or pro bowl game, or with a promotional caravan.

The term includes salaries, wages, bonuses, and any other type of compensation paid during the taxable year to a team member for services rendered in that year. The term does not include strike benefits, severance pay, termination pay, contract or option year buy-out payments, expansion or relocation payments, or any other payments not related to services rendered to the team.

(b) For purposes of IC 6-3, Indiana income is the individual's total income during the taxable year multiplied by the following fraction:

(1) The numerator of the fraction is the individual's Indiana duty days for the taxable year.

(2) The denominator of the fraction is the individual's total duty days for the taxable year.

(c) It is presumed that this section results in a fair and equitable apportionment of the team member's compensation. However, if the department demonstrates that the method provided under this section does not fairly and equitably apportion a team member's compensation, the department may require the team member to apportion the team member's compensation under another method that the department prescribes. The prescribed method must result in a fair and equitable apportionment. A team member may submit a proposal for an alternative method to apportion the team member's compensation if the team member demonstrates that the method provided under this section does not fairly and equitably apportion the team member's compensation. If approved by the department, the proposed method must be fully explained in the team member's nonresident personal income tax return.

(d) The department may adopt rules under IC 4-22-2 to establish either of the following methods of simplifying return filing for team members of a team, if the team is not based in Indiana:

(1) A withholding system requiring a team to withhold adjusted gross income tax for each team member and to remit the withheld taxes to Indiana on an annual basis. The department

may require each team to submit information for each team member regarding total income, Indiana income subject to tax under this section, and the amount of tax withheld. Remittance of the withholding and submission of the required information satisfies the team member's tax liability and return filing responsibilities under this article. A team that is required to withhold and remit shall provide all participating team members with a Form W-2 evidencing the amount of tax withheld and remitted to Indiana. Even though a team is required to withhold and remit, a team member may file an individual income tax return to claim a refund if the amount remitted exceeds the amount otherwise owed using the methodology under this section. However, if the team member files an individual income tax return to claim such a refund, the team member is required to notify the team member's state of residence of the filing.

(2) A composite return method that permits the filing of a composite tax return by the team on behalf of each team member. Other department rules concerning composite returns apply to the extent these rules are not inconsistent with this subsection. The team must obtain approval from the department before filing a composite return. The team must obtain written authorization each taxable year from each team member who elects to participate in the composite return. The participating team members must acknowledge through their elections that the composite return constitutes an irrevocable filing and that they may not file an individual income tax return in Indiana. The team must maintain a power of attorney from each participating team member that authorizes the team to represent them in a protest or other appeal. The team and participating team members must agree that the team is responsible for any deficiencies, including penalties. The team shall withhold tax from each participating team member's compensation and remit it to the state of Indiana. The return must contain information for each participating team member regarding total income, Indiana income subject to tax using the methodology under this section, and the amount of tax due. Filing of the return and remittance of the tax satisfy the participating team member's tax liability and return filing responsibilities under IC 6-3-4-1.

If the method under subdivision (1) or the method under subdivision (2) is required, a team member's Indiana adjusted gross income may not be reduced by using a deduction, an exemption, or an exclusion. For a team member to participate in either method, a team member's compensation from the team must be the only source of income attributable to Indiana. If a team member leaves the team during a taxable year, the team remains responsible for remitting the appropriate tax and may either collect the tax paid from the team member or absorb the cost itself.

As added by P.L.63-1997, SEC.2.

IC 6-3-2-2.8
Exemption; nonprofit entities; Subchapter S corporations; financial institutions; insurance companies; international banking facilities

Sec. 2.8. Notwithstanding any provision of IC 6-3-1 through IC 6-3-7, there shall be no tax on the adjusted gross income of the following:

(1) Any organization described in Section 501(a) of the Internal Revenue Code, except that any income of such organization which is subject to income tax under the Internal Revenue Code shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

(2) Any corporation which is exempt from income tax under Section 1363 of the Internal Revenue Code and which complies with the requirements of IC 6-3-4-13. However, income of a corporation described under this subdivision that is subject to income tax under the Internal Revenue Code is subject to the tax under IC 6-3-1 through IC 6-3-7. A corporation will not lose its exemption under this section because it fails to comply with IC 6-3-4-13 but it will be subject to the penalties provided by IC 6-8.1-10.

(3) Banks and trust companies, national banking associations, savings banks, building and loan associations, and savings and loan associations.

(4) Insurance companies subject to tax under any of the following:

(A) IC 27-1-18-2, including a domestic insurance company that elects to be taxed under IC 27-1-18-2.

(B) IC 27-1-2-2.3.

(5) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System (12 CFR 204)).

As added by P.L.47-1984, SEC.5. Amended by P.L.42-1993, SEC.3; P.L.18-1994, SEC.8; P.L.192-2002(ss), SEC.74; P.L.129-2014, SEC.1.

IC 6-3-2-2.9
Repealed

(Repealed by P.L.47-1984, SEC.7(c).)

IC 6-3-2-3
Repealed

(Repealed, as amended by P.L.79-1983, SEC.2, and as amended by P.L.82-1983, SEC.5, by P.L.47-1984, SEC.7(b).)

IC 6-3-2-3.1
Taxation; nonprofit entities; unrelated business income

Sec. 3.1. (a) Except as otherwise provided in subsection (b), income is not exempt from the adjusted gross income tax under section 2.8(1) of this chapter if the income is derived by the exempt organization from an unrelated trade or business, as defined in

Section 513 of the Internal Revenue Code.

(b) This section does not apply to:

(1) the United States government;

(2) an agency or instrumentality of the United States government;

(3) this state;

(4) a state agency, as defined in IC 34-6-2-141;

(5) a political subdivision, as defined in IC 34-6-2-110; or

(6) a county solid waste management district or a joint solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal).

As added by Acts 1978, P.L.32, SEC.3. Amended by P.L.25-1991, SEC.4; P.L.1-1994, SEC.28; P.L.1-1996, SEC.46; P.L.1-1998, SEC.78; P.L.192-2002(ss), SEC.75.

IC 6-3-2-3.2

Indiana income of race team members

Sec. 3.2. (a) The following definitions apply to this section:

(1) "Bonus for services rendered as a race team member" includes:

(A) a bonus earned as a result of participation in a racing event, such as a performance bonus or any other bonus; and

(B) a bonus paid for signing a contract, unless all of the following conditions are met:

(i) The payment of the signing bonus is not conditional upon the signee participating in a racing event for the team or performing any subsequent services for the team.

(ii) The signing bonus is payable separately from the salary and any other compensation.

(iii) The signing bonus is nonrefundable.

(2) "Indiana duty days" means the number of total duty days spent by a race team member within Indiana rendering a service for the race team in any manner during the taxable year, except travel days spent in Indiana that do not involve either a race, practice, qualification, training, testing, team meeting, promotional caravan, or other similar race team event.

(3) "Race team" includes a professional motorsports racing team that has services rendered by a race team member in Indiana or participated in a racing event at a qualified motorsports facility (as defined in IC 5-1-17.5-14).

(4) "Race team member" includes employees or independent contractors who render services on behalf of the race team. The term includes but is not limited to drivers, pit crew members, mechanics, technicians, spotters, and crew chiefs.

(5) "Total duty days" means all days during the taxable year that a race team member renders a service for the race team. The term includes:

(A) race days, practice days, qualification days, training days, testing days, days spent at team meetings, days spent with a promotional caravan, and days served with the team

in which the team competes or is scheduled to compete;

(B) days spent conducting training and rehabilitation activities, but only if the service is conducted at the facilities of the race team; and

(C) travel days that do not involve either a race, practice, qualification, training, testing, team meeting, promotional caravan, or other similar team event.

Total duty days for an individual who joins a race team during the season begin on the day the individual joins the team, and, for an individual who leaves a team, end on the day the individual leaves the team. When an individual changes teams during a taxable year, a separate duty day calculation must be made for the period the individual was with each team. Total duty days do not include those days for which a team member is not compensated and is not rendering a service for the team in any manner, including days when the team member has been suspended without pay and prohibited from performing any services for the team.

(6) "Total income" means the total compensation received during the taxable year for services rendered. The term includes salaries, wages, bonuses, and any other type of compensation paid during the taxable year to a race team member for services rendered in that year. The term does not include strike benefits, severance pay, termination pay, contract or option year buy-out payments, expansion or relocation payments, or any other payments not related to services rendered to the race team.

(b) For purposes of IC 6-3, Indiana income is the individual's total income during the taxable year multiplied by the following fraction:

(1) The numerator of the fraction is the individual's Indiana duty days for the taxable year.

(2) The denominator of the fraction is the individual's total duty days for the taxable year.

(c) It is presumed that this section results in a fair and equitable apportionment of the race team member's compensation. However, if the department demonstrates that the method provided under this section does not fairly and equitably apportion a team member's compensation, the department may require the team member to apportion the team member's compensation under another method that the department prescribes. The prescribed method must result in a fair and equitable apportionment. A team member may submit a proposal for an alternative method to apportion the team member's compensation if the team member demonstrates that the method provided under this section does not fairly and equitably apportion the team member's compensation. If approved by the department, the proposed method must be fully explained in the team member's nonresident personal income tax return.

(d) The department may adopt rules, guidelines, or other instructions to establish alternative methods of simplifying return filing for team members, if the team is not based in Indiana.

(e) Notwithstanding any other provision under IC 6-3-4, the

department may adopt rules, guidelines, or other instructions related to withholding requirements under this chapter.

(f) This section, as enacted in 2013, is intended to be a clarification of the law and not a substantive change in the law.

As added by P.L.233-2013, SEC.8.

IC 6-3-2-3.5

Exemption; fares for public transportation services

Sec. 3.5. (a) For purposes of this section, "public transportation services" means the transportation of individuals for hire.

(b) All fares collected for public transportation services are exempt from the income taxes imposed by this article if the fares are received by a:

(1) public transportation corporation established under IC 36-9-4;

(2) public transit department established by ordinance under IC 36; or

(3) lessee common carrier that provides public transportation services under IC 36.

(c) Fares collected for public transportation services by a private corporation are exempt from income taxes imposed by this article if during the tax year at least eighty percent (80%) of the corporation's total regularly scheduled bus passenger vehicle route miles are within the corporation's designated regional service area. A private corporation's designated regional service area may not be greater than:

(1) the county that the private corporation designates as its principal place of business; and

(2) all counties contiguous to the county designated by the private corporation as its principal place of business.

A private corporation may choose a smaller area as its regional service area.

(Formerly: Acts 1975, P.L.58, SEC.3.) As amended by P.L.19-1986, SEC.14; P.L.192-2002(ss), SEC.76.

IC 6-3-2-3.7

Remainder of federal civil service annuity minus certain retirement benefits; deduction

Sec. 3.7. Each taxable year, an individual is entitled to an adjusted gross income tax deduction equal to the remainder of:

(1) the first two thousand dollars ($2,000) which is received by the individual during the taxable year from a federal civil service annuity, and which is included in adjusted gross income under Section 62 of the Internal Revenue Code; minus

(2) the total amount of social security benefits and railroad retirement benefits received by the individual during the taxable year.

However, the individual is only entitled to the deduction provided by this section if the individual is at least sixty-two (62) years of age before the end of the taxable year.

As added by Acts 1977, P.L.79, SEC.1. Amended by Acts 1980, P.L.54, SEC.2; P.L.76-1985, SEC.1.

IC 6-3-2-4
Military service deduction; retirement income or survivor's benefits; age limit of 60

Sec. 4. (a) Each taxable year, an individual, or the individual's surviving spouse, is entitled to an adjusted gross income tax deduction for the first five thousand dollars ($5,000) of income, including retirement or survivor's benefits, received during the taxable year by the individual, or the individual's surviving spouse, for the individual's service in an active or reserve component of the armed forces of the United States, including the army, navy, air force, coast guard, marine corps, merchant marine, Indiana army national guard, or Indiana air national guard. However, a person who is less than sixty (60) years of age on the last day of the person's taxable year, is not, for that taxable year, entitled to a deduction under this section for retirement or survivor's benefits.

(b) An individual whose qualified military income is subtracted from the individual's federal adjusted gross income under IC 6-3-1-3.5(a)(21) for Indiana individual income tax purposes is not, for that taxable year, entitled to a deduction under this section for the individual's qualified military income.

As added by Acts 1977, P.L.78, SEC.3. Amended by P.L.76-1985, SEC.2; P.L.144-2007, SEC.5; P.L.6-2012, SEC.49.

IC 6-3-2-5
Insulation; installation; deduction; amount; filing of proof

Sec. 5. (a) For purposes of this section, "insulation" means any material, commonly used in the building industry, which is installed for the sole purpose of retarding the passage of heat energy into or out of a building.

(b) A resident individual taxpayer is entitled to a deduction from his adjusted gross income for a particular taxable year if, during that taxable year, he installs in his residence new, but not replacement, insulation, weather stripping, double pane windows, storm doors, or storm windows. However, a taxpayer does not qualify for this deduction unless the part of his residence in which he makes the installation was constructed at least three (3) years before the taxable year for which the deduction is claimed.

(c) The amount of the deduction to which a taxpayer is entitled in a particular taxable year is the lesser of:

(1) the amount the taxpayer pays for labor and materials for the installation that is made during the taxable year; or

(2) one thousand dollars ($1,000).

(d) To obtain the deduction provided by this section, the taxpayer must file with the department proof of his costs for the installation and a list of the persons or corporations who supplied labor or materials for the installation.

As added by Acts 1978, P.L.37, SEC.2.

IC 6-3-2-5.3
Deduction for solar powered roof vents or fans

Sec. 5.3. (a) This section applies to taxable years beginning after December 31, 2008.

(b) As used in this section, "solar powered roof vent or fan" means a roof vent or fan that is powered by solar energy and used to release heat from a building.

(c) A resident individual taxpayer is entitled to a deduction from the taxpayer's adjusted gross income for a particular taxable year if, during that taxable year, the taxpayer installs a solar powered roof vent or fan on a building owned or leased by the taxpayer.

(d) The amount of the deduction to which a taxpayer is entitled in a particular taxable year is the lesser of:

(1) one-half (1/2) of the amount the taxpayer pays for labor and materials for the installation of a solar powered roof vent or fan that is installed during the taxable year; or

(2) one thousand dollars ($1,000).

(e) To obtain the deduction provided by this section, a taxpayer must file with the department proof of the taxpayer's costs for the installation of a solar powered roof vent or fan and a list of the persons or corporation that supplied labor or materials for the installation of the solar powered roof vent or fan.

As added by P.L.182-2009(ss), SEC.195.

IC 6-3-2-5.5
Repealed

(Repealed by Acts 1980, P.L.54, SEC.9.)

IC 6-3-2-6
Deduction; rent payments

Sec. 6. (a) Each taxable year, an individual who rents a dwelling for use as the individual's principal place of residence may deduct from the individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)), the lesser of:

(1) the amount of rent paid by the individual with respect to the dwelling during the taxable year; or

(2) three thousand dollars ($3,000).

(b) Notwithstanding subsection (a), a husband and wife filing a joint adjusted gross income tax return for a particular taxable year may not claim a deduction under this section of more than three thousand dollars ($3,000).

(c) The deduction provided by this section does not apply to an individual who rents a dwelling that is exempt from Indiana property tax.

(d) For purposes of this section, a "dwelling" includes a single family dwelling and unit of a multi-family dwelling.

As added by Acts 1979, P.L.70, SEC.1. Amended by P.L.14-1999, SEC.1; P.L.192-2002(ss), SEC.77; P.L.146-2008, SEC.318.

IC 6-3-2-7

Repealed

(Repealed by P.L.9-1986, SEC.10.)

IC 6-3-2-8

Enterprise zone employers; exemption from deduction

Sec. 8. (a) For purposes of this section, "qualified employee" means an individual who is employed by a taxpayer, a pass through entity, an employer exempt from adjusted gross income tax (IC 6-3-1 through IC 6-3-7) under IC 6-3-2-2.8(3), IC 6-3-2-2.8(4), or IC 6-3-2-2.8(5), a nonprofit entity, the state, a political subdivision of the state, or the United States government and who:

(1) has the employee's principal place of residence in the enterprise zone in which the employee is employed;

(2) performs services for the taxpayer, the employer, the nonprofit entity, the state, the political subdivision, or the United States government, ninety percent (90%) of which are directly related to:

(A) the conduct of the taxpayer's or employer's trade or business; or

(B) the activities of the nonprofit entity, the state, the political subdivision, or the United States government;

that is located in an enterprise zone; and

(3) performs at least fifty percent (50%) of the employee's service for the taxpayer or employer during the taxable year in the enterprise zone.

(b) Except as provided in subsection (c), a qualified employee is entitled to a deduction from the employee's adjusted gross income in each taxable year in the amount of the lesser of:

(1) one-half (1/2) of the employee's adjusted gross income for the taxable year that the employee earns as a qualified employee; or

(2) seven thousand five hundred dollars ($7,500).

(c) No qualified employee is entitled to a deduction under this section for a taxable year that begins after the termination of the enterprise zone in which the employee resides.

As added by P.L.23-1983, SEC.11. Amended by P.L.9-1986, SEC.5; P.L.289-2001, SEC.12; P.L.269-2003, SEC.4; P.L.182-2009(ss), SEC.194.

IC 6-3-2-9

Disability retirement; deduction; amount

Sec. 9. (a) An individual who:

(1) retired on disability before the end of the taxable year; and

(2) had a permanent and total disability, as determined under subsection (c), at the time of retirement;

is entitled to a deduction from the individual's adjusted gross income for that taxable year in the amount determined under subsection (b).

(b) The deduction provided by subsection (a) is the amount determined using the following STEPS:

STEP ONE: Determine the amount received by the individual

during the taxable year through an accident and health plan for personal injuries or sickness to the extent that:

(A) these amounts are attributable to contributions by the individual's employer that were not includable in the individual's gross income or are paid by the employer; and

(B) these amounts constitute wages or payments in lieu of wages for a period during which the employee is absent from work because of permanent and total disability.

STEP TWO: Determine for each week of the taxable year the amount by which each weekly payment referred to in STEP ONE exceeds one hundred dollars ($100), then add these amounts.

STEP THREE: Determine the amount by which the individual's federal adjusted gross income for the taxable year, as defined by Section 62 of the Internal Revenue Code, exceeds fifteen thousand dollars ($15,000).

STEP FOUR: Subtract from the amount determined in STEP ONE the amount determined in STEP TWO and the amount determined in STEP THREE.

(c) For purposes of this section, an individual has a permanent and total disability if the individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months. An individual may not be considered to have a permanent and total disability unless the individual furnishes proof of the existence of the disability as the department of revenue may require.

As added by P.L.76-1985, SEC.3. Amended by P.L.47-2001, SEC.1; P.L.99-2007, SEC.26.

IC 6-3-2-10

Unemployment compensation; deduction

Sec. 10. (a) An individual who received unemployment compensation, as defined in subsection (c), during the taxable year is entitled to a deduction from the individual's adjusted gross income for that taxable year in the amount determined using the following formula:

STEP ONE: Determine the greater of zero (0) or the difference between:

(A) the sum of:

(i) the federal adjusted gross income of the individual (or the individual and the individual's spouse, in the case of a joint return), as defined in Section 62 of the Internal Revenue Code; plus

(ii) the amount of unemployment compensation excluded from federal gross income, as defined in Section 61 of the Internal Revenue Code, under Section 85(c) of the Internal Revenue Code; minus

(B) the base amount as defined in subsection (b).

STEP TWO: Determine the greater of zero (0) or the difference between:

(A) the individual's unemployment compensation for the taxable year; minus

(B) one-half (1/2) of the amount determined under STEP ONE.

(b) As used in this section, "base amount" means:

(1) twelve thousand dollars ($12,000) in all cases not covered by subdivision (2) or (3);

(2) eighteen thousand dollars ($18,000) in the case of an individual who files a joint return for the taxable year; or

(3) zero (0), in the case of an individual who:

(A) is married at the close of the taxable year, as determined under Section 143 of the Internal Revenue Code;

(B) does not file a joint return for the taxable year; and

(C) does not live apart from the individual's spouse at all times during the taxable year.

(c) As used in this section, "unemployment compensation" means the amount of unemployment compensation that is included in the individual's federal gross income under Section 85 of the Internal Revenue Code.

As added by P.L.2-1987, SEC.19. Amended by P.L.5-1988, SEC.46; P.L.182-2009(ss), SEC.196.

IC 6-3-2-11

Deductions from adjusted gross income; federal employee paid leave

Sec. 11. (a) An individual is entitled to a deduction from the individual's adjusted gross income for the taxable year if the individual:

(1) is an employee of the federal government during the taxable year and the year preceding the taxable year;

(2) has used paid leave from employment as an employee of the federal government during the year preceding the taxable year; and

(3) is entitled to an itemized deduction under the Internal Revenue Code for the taxable year because the individual bought back the leave used by the individual during the year preceding the taxable year.

(b) The amount of the deduction for a taxable year may not exceed the lesser of:

(1) the individual's itemized deduction that is allowed under the Internal Revenue Code for the taxable year; or

(2) the individual's adjusted gross income for the taxable year.

As added by P.L.91-1987, SEC.5.

IC 6-3-2-12

Foreign source dividends; deduction; computation

Sec. 12. (a) As used in this section, the term "foreign source dividend" means a dividend from a foreign corporation. The term

includes any amount that a taxpayer is required to include in its gross income for a taxable year under Section 951 of the Internal Revenue Code, but the term does not include any amount that is treated as a dividend under Section 78 of the Internal Revenue Code.

(b) A corporation that includes any foreign source dividend in its adjusted gross income for a taxable year is entitled to a deduction from that adjusted gross income. The amount of the deduction equals the product of:

(1) the amount of the foreign source dividend included in the corporation's adjusted gross income for the taxable year; multiplied by

(2) the percentage prescribed in subsection (c), (d), or (e), as the case may be.

(c) The percentage referred to in subsection (b)(2) is one hundred percent (100%) if the corporation that includes the foreign source dividend in its adjusted gross income owns stock possessing at least eighty percent (80%) of the total combined voting power of all classes of stock of the foreign corporation from which the dividend is derived.

(d) The percentage referred to in subsection (b)(2) is eighty-five percent (85%) if the corporation that includes the foreign source dividend in its adjusted gross income owns stock possessing at least fifty percent (50%) but less than eighty percent (80%) of the total combined voting power of all classes of stock of the foreign corporation from which the dividend is derived.

(e) The percentage referred to in subsection (b)(2) is fifty percent (50%) if the corporation that includes the foreign source dividend in its adjusted gross income owns stock possessing less than fifty percent (50%) of the total combined voting power of all classes of stock of the foreign corporation from which the dividend is derived.

As added by P.L.383-1987(ss), SEC.4.

IC 6-3-2-13

Export income; maritime opportunity districts

Sec. 13. (a) As used in this section, "export income" means the gross receipts from the sale, transfer, or exchange of tangible personal property destined for international markets that is:

(1) manufactured at a plant located within a maritime opportunity district established under IC 6-1.1-40; and

(2) shipped through a port operated by the state.

(b) As used in this section, "export sales ratio" means the quotient of:

(1) the taxpayer's export income; divided by

(2) the taxpayer's gross receipts from the sale, transfer, or exchange of tangible personal property, regardless of its destination.

(c) As used in this section, "taxpayer" means a person or corporation that has export income.

(d) The ports of Indiana established by IC 8-10-1-3 shall notify the department when a maritime opportunity district is established under

IC 6-1.1-40. The notice must include:

(1) the resolution passed by the commission to establish the district; and

(2) a list of all taxpayers located in the district.

(e) The ports of Indiana shall also notify the department of any subsequent changes in the list of taxpayers located in the district.

(f) A taxpayer is entitled to a deduction from the taxpayer's adjusted gross income in an amount equal to the lesser of:

(1) the taxpayer's adjusted gross income; or

(2) the product of the export sales ratio multiplied by the percentage set forth in subsection (g).

(g) The percentage to be used in determining the amount a taxpayer is entitled to deduct under this section depends upon the number of years that the taxpayer could have taken a deduction under this section. The percentage to be used in subsection (f) is as follows:

YEAR OF DEDUCTION	PERCENTAGE
1st through 4th	100%
5th	80%
6th	60%
7th	40%
8th	20%
9th and thereafter	0%

(h) The department shall determine, for each taxpayer claiming a deduction under this section, the taxpayer's export sales ratio for purposes of IC 6-1.1-40. The department shall certify the amount of the ratio to the department of local government finance.

As added by P.L.62-1988, SEC.2. Amended by P.L.90-2002, SEC.288; P.L.98-2008, SEC.8.

IC 6-3-2-14

Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3-2-14.1

Prize money accruing before July 1, 2002; exemption

Sec. 14.1. Notwithstanding section 14.5 of this chapter and IC 6-3-4-8.2, a payment made after June 30, 2002, on prize money received from a winning lottery ticket purchased under IC 4-30 for a lottery held before July 1, 2002, is exempt from the adjusted gross income tax and supplemental net income tax (repealed) imposed by this article.

As added by P.L.269-2003, SEC.5.

IC 6-3-2-14.5

Partial exemption; lottery winnings

Sec. 14.5. The first one thousand two hundred dollars ($1,200) of prize money received from a winning lottery ticket purchased under IC 4-30 is exempt from the adjusted gross income tax imposed by this article. If the amount of prize money received from a winning lottery ticket exceeds one thousand two hundred dollars ($1,200), the

amount of the excess is subject to the adjusted gross income tax imposed by this article.
As added by P.L.192-2002(ss), SEC.79.

IC 6-3-2-15
Repealed
(Repealed by P.L.1-1990, SEC.76.)

IC 6-3-2-16
Transactions between taxable entity and unitary taxpayer subject to IC 6-5.5
Sec. 16. If an entity is subject to taxation under this article and is a member of a unitary group of which a taxpayer subject to taxation under IC 6-5.5 is a member, all income and deductions attributable to transactions between the entity and the unitary taxpayer shall be eliminated in determining the amount of tax imposed under this article. This section does not prohibit the elimination of income and deductions between two (2) or more entities that are not members of a unitary group.
As added by P.L.1-1990, SEC.77.

IC 6-3-2-17
Rewards for information to assist law enforcement officials; exemption
Sec. 17. A reward received by an individual is exempt from taxation under IC 6-3-1 through IC 6-3-7, in an amount not to exceed one thousand dollars ($1,000), if:
(1) the reward is for information provided to a law enforcement official or agency, or to a not-for-profit corporation whose exclusive purpose is to assist law enforcement officials or agencies;
(2) the information that is provided assists in the arrest, indictment, or the filing of charges against a person; and
(3) the individual is not:
(A) compensated for investigating crimes or accidents (including an employee of, or an individual under contract with, a law enforcement agency);
(B) the person convicted of the crime; or
(C) the victim of the crime.
As added by P.L.1-1990, SEC.78.

IC 6-3-2-18
Employee medical care savings accounts
Sec. 18. (a) As used in this section, "eligible medical expense" has the meaning set forth in IC 6-8-11-3.
(b) As used in this section, "medical care savings account" has the meaning set forth in IC 6-8-11-6.
(c) Except as provided in subsection (g), the amount of money deposited by an employer in a medical care savings account established for an employee under IC 6-8-11 is exempt from taxation

under IC 6-3-1 through IC 6-3-7 as income of the employee in the taxable year in which the money is deposited in the account.

(d) Except as provided in subsection (g), the amount of money that is:

(1) withdrawn from a medical care savings account established for an employee under IC 6-8-11; and

(2) either:

(A) used by the administrator of the account for a purpose set forth in IC 6-8-11-13; or

(B) used under IC 6-8-11-13 to reimburse an employee for eligible medical expenses that the employee has incurred and paid for medical care for the employee or a dependent of the employee;

is exempt from taxation under IC 6-3-1 through IC 6-3-7 as income of the employee.

(e) Except as provided in IC 6-8-11-11, in each taxable year, the amount of money that is:

(1) withdrawn by an employee from a medical care savings account established under IC 6-8-11; and

(2) used for a purpose other than the purposes set forth in IC 6-8-11-13;

is income to the employee that is subject to taxation under IC 6-3-1 through IC 6-3-7.

(f) If an employee withdraws money from the employee's medical care savings account under the circumstances set forth in IC 6-8-11-17(c), the interest earned on the balance in the account during the full tax year in which the withdrawal is made is subject to taxation under IC 6-3-1 through IC 6-3-7 as income of the employee.

(g) A taxpayer that excluded or deducted an amount deposited into a medical care savings account from adjusted gross income under:

(1) section 106 of the Internal Revenue Code;

(2) section 220 of the Internal Revenue Code; or

(3) any other section of the Internal Revenue Code;

is not eligible for an additional exemption from adjusted gross income under this section.

As added by P.L.92-1995, SEC.1 and P.L.93-1995, SEC.1. Amended by P.L.60-1997, SEC.3.

IC 6-3-2-19

Distributions for higher education; exemptions

Sec. 19. (a) As used in this section, "account beneficiary" has the meaning set forth in IC 21-9-2-3.

(b) As used in this section, "account owner" has the meaning set forth in IC 21-9-2-4.

(c) As used in this section, "individual account" has the meaning set forth in IC 21-9-2-2.

(d) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5.

(e) Distributions from an individual account used to pay qualified higher education expenses are exempt from the adjusted gross income

tax imposed by IC 6-3-1 through IC 6-3-7 as income of an account beneficiary or an account owner.
As added by P.L.15-2001, SEC.1.

IC 6-3-2-20
Corporations; intangible expenses; directly related intangible interest expenses

Sec. 20. (a) The following definitions apply throughout this section:

(1) "Affiliated group" has the meaning provided in Section 1504 of the Internal Revenue Code, except that the ownership percentage in Section 1504(a)(2) of the Internal Revenue Code shall be determined using fifty percent (50%) instead of eighty percent (80%).

(2) "Directly related intangible interest expenses" means interest expenses that are paid to, or accrued or incurred as a liability to, a recipient if:

(A) the amounts represent, in the hands of the recipient, income from making one (1) or more loans; and

(B) the funds loaned were originally received by the recipient from the payment of intangible expenses by any of the following:

(i) The taxpayer.

(ii) A member of the same affiliated group as the taxpayer.

(iii) A foreign corporation.

(3) "Foreign corporation" means a corporation that is organized under the laws of a country other than the United States and would be a member of the same affiliated group as the taxpayer if the corporation were organized under the laws of the United States.

(4) "Intangible expenses" means the following amounts to the extent these amounts are allowed as deductions in determining taxable income under Section 63 of the Internal Revenue Code before the application of any net operating loss deduction and special deductions for the taxable year:

(A) Expenses, losses, and costs directly for, related to, or in connection with the acquisition, use, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property.

(B) Royalty, patent, technical, and copyright fees.

(C) Licensing fees.

(D) Other substantially similar expenses and costs.

(5) "Intangible property" means patents, patent applications, trade names, trademarks, service marks, copyrights, trade secrets, and substantially similar types of intangible assets.

(6) "Interest expenses" means amounts that are allowed as deductions under Section 163 of the Internal Revenue Code in determining taxable income under Section 63 of the Internal Revenue Code before the application of any net operating loss deductions and special deductions for the taxable year.

(7) "Makes a disclosure" means a taxpayer provides the following information regarding a transaction with a member of the same affiliated group or a foreign corporation involving an intangible expense and any directly related intangible interest expense with the taxpayer's tax return on the forms prescribed by the department:

(A) The name of the recipient.

(B) The state or country of domicile of the recipient.

(C) The amount paid to the recipient.

(D) A copy of federal Form 851, Affiliation Schedule, as filed with the taxpayer's federal consolidated tax return.

(E) The information needed to determine the taxpayer's status under the exceptions listed in subsection (c).

(8) "Recipient" means:

(A) a member of the same affiliated group as the taxpayer; or

(B) a foreign corporation;

to which is paid an item of income that corresponds to an intangible expense or any directly related intangible interest expense.

(9) "Unrelated party" means a person that, with respect to the taxpayer, is not a member of the same affiliated group or a foreign corporation.

(b) Except as provided in subsection (c), in determining its adjusted gross income under IC 6-3-1-3.5(b), a corporation subject to the tax imposed by IC 6-3-2-1 shall add to its taxable income under Section 63 of the Internal Revenue Code:

(1) intangible expenses; and

(2) any directly related intangible interest expenses;

paid, accrued, or incurred with one (1) or more members of the same affiliated group or with one (1) or more foreign corporations.

(c) The addition of intangible expenses or any directly related intangible interest expenses otherwise required in a taxable year under subsection (b) is not required if one (1) or more of the following apply to the taxable year:

(1) The taxpayer and the recipient are both included in the same consolidated tax return filed under IC 6-3-4-14 or in the same combined return filed under IC 6-3-2-2(q) for the taxable year.

(2) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the item of income corresponding to the intangible expenses and any directly related intangible interest expenses was included within the recipient's income that is subject to tax in:

(i) a state or possession of the United States; or

(ii) a country other than the United States;

that is the recipient's commercial domicile and that imposes a net income tax, a franchise tax measured, in whole or in part, by net income, or a value added tax;

(B) the transaction giving rise to the intangible expenses and

any directly related intangible interest expenses between the taxpayer and the recipient was made at a commercially reasonable rate and at terms comparable to an arm's length transaction; and

(C) the transactions giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(3) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient regularly engages in transactions involving intangible property with one (1) or more unrelated parties on terms substantially similar to those of the subject transaction; and

(B) the transaction giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(4) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the payment was received from a person or entity that is an unrelated party, and on behalf of that unrelated party, paid that amount to the recipient in an arm's length transaction; and

(B) the transaction giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(5) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient paid, accrued, or incurred a liability to an unrelated party during the taxable year for an equal or greater amount that was directly for, related to, or in connection with the same intangible property giving rise to the intangible expenses; and

(B) the transactions giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(6) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient is engaged in:

(i) substantial business activities from the acquisition, use, licensing, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property; or

(ii) other substantial business activities separate and apart from the business activities described in item (i);

as evidenced by the maintenance of a permanent office space and an adequate number of full-time, experienced employees;

(B) the transactions giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose; and

(C) the transactions were made at a commercially reasonable rate and at terms comparable to an arm's length transaction.

(7) The taxpayer and the department agree, in writing, to the application or use of an alternative method of allocation or apportionment under section 2(l) or 2(m) of this chapter.

(8) Upon request by the taxpayer, the department determines that the adjustment otherwise required by this section is unreasonable.

(d) For purposes of this section, intangible expenses or directly related intangible interest expenses shall be considered to be at a commercially reasonable rate or at terms comparable to an arm's length transaction if the intangible expenses or directly related intangible interest expenses meet the arm's length standards of United States Treasury Regulation 1.482-1(b).

(e) If intangible expenses or directly related intangible expenses are determined not to be at a commercially reasonable rate or at terms comparable to an arm's length transaction for purposes of this section, the adjustment required by subsection (b) shall be made only to the extent necessary to cause the intangible expenses or directly related intangible interest expenses to be at a commercially reasonable rate and at terms comparable to an arm's length transaction.

(f) For purposes of this section, transactions giving rise to intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient shall be considered as having Indiana tax avoidance as the principal purpose if:

(1) there is not one (1) or more valid business purposes that independently sustain the transaction notwithstanding any tax benefits associated with the transaction; and

(2) the principal purpose of tax avoidance exceeds any other valid business purpose.

As added by P.L.162-2006, SEC.26. Amended by P.L.211-2007, SEC.21.

IC 6-3-2-21.7

Exemption for certain income derived from patents

Sec. 21.7. (a) This section applies to a qualified patent issued to a taxpayer after December 31, 2007.

(b) As used in this section, "invention" has the meaning set forth in 35 U.S.C. 100(a).

(c) As used in this section, "qualified patent" means:

(1) a utility patent issued under 35 U.S.C. 101; or

(2) a plant patent issued under 35 U.S.C. 161;

after December 31, 2007, for an invention resulting from a development process conducted in Indiana. The term does not include a design patent issued under 35 U.S.C. 171.

(d) As used in this section, "qualified taxpayer" means a taxpayer that on the effective filing date of the claimed invention:

(1) is either:

(A) an individual or corporation, if the number of employees of the individual or corporation, including affiliates as specified in 13 CFR 121.103, does not exceed five hundred (500) persons; or

(B) a nonprofit organization or nonprofit corporation as specified in:

(i) 37 CFR 1.27(a)(3)(ii)(A) or 37 CFR 1.27(a)(3)(ii)(B); or

(ii) IC 23-17; and

(2) is domiciled in Indiana.

(e) Subject to subsections (g) and (h), in determining adjusted gross income or taxable income under IC 6-3-1-3.5 or IC 6-5.5-1-2, a qualified taxpayer is entitled to an exemption from taxation under IC 6-3-1 through IC 6-3-7 for the following:

(1) Licensing fees or other income received for the use of a qualified patent.

(2) Royalties received for the infringement of a qualified patent.

(3) Receipts from the sale of a qualified patent.

(4) Subject to subsection (f), income from the taxpayer's own use of the taxpayer's qualified patent to produce the claimed invention.

(f) The exemption provided by subsection (e)(4) may not exceed the fair market value of the licensing fees or other income that would be received by allowing use of the qualified taxpayer's qualified patent by someone other than the taxpayer. The fair market value referred to in this subsection must be determined in each taxable year in which the qualified taxpayer claims an exemption under subsection (e)(4).

(g) The total amount of exemptions claimed under this section by a qualified taxpayer in a taxable year may not exceed five million dollars ($5,000,000).

(h) A taxpayer may not claim an exemption under this section with respect to a particular qualified patent for more than ten (10) taxable years. Subject to the provisions of this section, the following amount of the income, royalties, or receipts described in subsection (e) from a particular qualified patent is exempt:

(1) Fifty percent (50%) for each of the first five (5) taxable years in which the exemption is claimed for the qualified patent.

(2) Forty percent (40%) for the sixth taxable year in which the exemption is claimed for the qualified patent.

(3) Thirty percent (30%) for the seventh taxable year in which the exemption is claimed for the qualified patent.

(4) Twenty percent (20%) for the eighth taxable year in which

the exemption is claimed for the qualified patent.

(5) Ten percent (10%) each year for the ninth and tenth taxable year in which the exemption is claimed for the qualified patent.

(6) No exemption under this section for the particular qualified patent after the eleventh taxable year in which the exemption is claimed for the qualified patent.

(i) To receive the exemption provided by this section, a qualified taxpayer must claim the exemption on the qualified taxpayer's annual state tax return or returns in the manner prescribed by the department. The qualified taxpayer shall submit to the department all information that the department determines is necessary for the determination of the exemption provided by this section.

(j) On or before December 1 of each year, the department shall provide an evaluation report to the legislative council, the budget committee, and the Indiana economic development corporation. The evaluation report must contain the following:

(1) The number of taxpayers claiming an exemption under this section.

(2) The sum of all the exemptions claimed under this section.

(3) The North American Industry Classification System code for each taxpayer claiming an exemption under this section.

(4) Any other information the department considers appropriate, including the number of qualified patents for which an exemption was claimed under this section.

The report required under this subsection must be in an electronic format under IC 5-14-6.

As added by P.L.223-2007, SEC.2.

IC 6-3-2-22

Deduction; unreimbursed education expenditures

Sec. 22. (a) The following definitions apply throughout this section:

(1) "Dependent child" means an individual who:

(A) is eligible to receive a free elementary or high school education in an Indiana school corporation;

(B) qualifies as a dependent (as defined in Section 152 of the Internal Revenue Code) of the taxpayer; and

(C) is the natural or adopted child of the taxpayer or, if custody of the child has been awarded in a court proceeding to someone other than the mother or father, the court appointed guardian or custodian of the child.

If the parents of a child are divorced, the term refers to the parent who is eligible to take the exemption for the child under Section 151 of the Internal Revenue Code.

(2) "Education expenditure" refers to any expenditures made in connection with enrollment, attendance, or participation of the taxpayer's dependent child in a private elementary or high school education program. The term includes tuition, fees, computer software, textbooks, workbooks, curricula, school supplies (other than personal computers), and other written

materials used primarily for academic instruction or for academic tutoring, or both.

(3) "Private elementary or high school education program" means attendance at:

(A) a nonpublic school (as defined in IC 20-18-2-12); or

(B) an accredited nonpublic school;

in Indiana that satisfies a child's obligation under IC 20-33-2 for compulsory attendance at a school. The term does not include the delivery of instructional service in a home setting to a dependent child who is enrolled in a school corporation or a charter school.

(b) This section applies to taxable years beginning after December 31, 2010.

(c) A taxpayer who makes an unreimbursed education expenditure during the taxpayer's taxable year is entitled to a deduction against the taxpayer's adjusted gross income in the taxable year.

(d) The amount of the deduction is:

(1) one thousand dollars ($1,000); multiplied by

(2) the number of the taxpayer's dependent children for whom the taxpayer made education expenditures in the taxable year.

A husband and wife are entitled to only one (1) deduction under this section.

(e) To receive the deduction provided by this section, a taxpayer must claim the deduction on the taxpayer's annual state tax return or returns in the manner prescribed by the department.

As added by P.L.92-2011, SEC.1. Amended by P.L.229-2011, SEC.85.

IC 6-3-2-24

Income tax exemption; Olympic medalist

Sec. 24. (a) This section applies to a taxable year beginning after December 31, 2013.

(b) As used in this section, "international committee" refers to the International Olympic Committee and the International Paralympic Committee.

(c) As used in this section, "Olympic games" refers to an international sports competition conducted every two (2) years by an international committee, including both the summer and winter games.

(d) As used in this section, "Olympic medal" refers to a gold, silver, or bronze medal won by an individual competing at the Olympic games.

(e) An individual is entitled to an exemption from the adjusted gross income tax imposed under this article equal to the sum of:

(1) the value of an Olympic medal won during the taxable year; plus

(2) the amount of income received during the taxable year from the United States Olympic Committee as prize money for winning the Olympic medal.

As added by P.L.87-2014, SEC.3.

IC 6-3-2-25

Adjusted gross income tax deduction for property taxes imposed for March 1, 2006, or January 15, 2007, assessment

Sec. 25. (a) This section applies only to an individual who in 2008 paid property taxes that:

(1) were imposed on the individual's principal place of residence for the March 1, 2006, assessment date or the January 15, 2007, assessment date;

(2) are due after December 31, 2007; and

(3) are paid on or before the due date for the property taxes.

(b) As used in this section, "adjusted gross income" has the meaning set forth in IC 6-3-1-3.5.

(c) An individual described in subsection (a) is entitled to a deduction from the individual's adjusted gross income for a taxable year beginning after December 31, 2007, and before January 1, 2009, in an amount equal to the amount determined in the following STEPS:

STEP ONE: Determine the lesser of:

(A) two thousand five hundred dollars ($2,500); or

(B) the total amount of property taxes imposed on the individual's principal place of residence for the March 1, 2006, assessment date or the January 15, 2007, assessment date and paid in 2007 or 2008.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the STEP ONE result; minus

(B) the total amount of property taxes that:

(i) were imposed on the individual's principal place of residence for the March 1, 2006, assessment date or the January 15, 2007, assessment date;

(ii) were paid in 2007; and

(iii) were deducted from the individual's adjusted gross income under IC 6-3-1-3.5(a)(15) by the individual on the individual's state income tax return for a taxable year beginning before January 1, 2008.

(d) The deduction under this section is in addition to any deduction that an individual is otherwise entitled to claim under IC 6-3-1-3.5(a)(15). However, an individual may not deduct under IC 6-3-1-3.5(a)(15) any property taxes deducted under this section.

As added by P.L.220-2011, SEC.139. Amended by P.L.6-2012, SEC.50.

IC 6-3-2.5
Repealed

(Repealed by P.L.273-1999, SEC.228.)

IC 6-3-3

Chapter 3. Credits

IC 6-3-3-1

Amounts deducted and withheld

Sec. 1. The amount deducted and withheld as tax under IC 6-3-4-8, IC 6-3-4-12, and IC 6-3-4-13 during any taxable year shall be allowed as a credit to the taxpayer against the tax imposed on him by IC 6-3-2.

(Formerly: Acts 1963(ss), c.32, s.301; Acts 1965, c.233, s.15.) As amended by P.L.2-1988, SEC.8.

IC 6-3-3-2

Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3-3-3

Taxes paid to other states

Sec. 3. (a) Whenever a resident person has become liable for tax to another state upon all or any part of his income for a taxable year derived from sources without this state and subject to taxation under IC 6-3-2, the amount of tax paid by him to the other state shall be credited against the amount of the tax payable by him. Such credit shall be allowed upon the production to the department of satisfactory evidence of the fact of such payment, except that such application for credit shall not operate to reduce the tax payable under IC 6-3-2 to an amount less than would have been payable were the income from the other state ignored. The credit provided for by this subsection shall not be granted to a taxpayer when the laws of the other state, under which the adjusted gross income in question is subject to taxation, provides for a credit to the taxpayer substantially similar to that granted by subsection (b).

(b) Whenever a nonresident person has become liable for tax to the state where he resides upon his income for the taxable year derived from sources within this state and subject to taxation under IC 6-3-2, the proportion of tax paid by him to the state where he resides that his income subject to taxation under IC 6-3-2 bears to his income upon which the tax so payable to the other state was imposed shall be credited against the tax payable by him under IC 6-3-2, but only if the laws of the other state grant a substantially similar credit to residents of this state subject to income tax under the laws of such other state, or impose a tax upon the income of its residents derived from sources in this state and exempt from taxation the income of residents of this state. No credit shall be allowed against the amount of the tax on any adjusted gross income taxable under IC 6-3-2 that is exempt from taxation under the laws of the other state.

(Formerly: Acts 1963(ss), c.32, s.303.) As amended by P.L.2-1988, SEC.10.

IC 6-3-3-4

Repealed

(Repealed by Acts 1977, P.L.78, SEC.6.)

IC 6-3-3-4.1

Repealed

(Repealed by Acts 1981, P.L.25, SEC.9.)

IC 6-3-3-5

Credit; charitable contribution; postsecondary educational institutions; educational foundations

Sec. 5. (a) At the election of the taxpayer, there shall be allowed, as a credit against the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, an amount (subject to the applicable limitations provided by this section) equal to fifty percent (50%) of the aggregate amount of charitable contributions made by such taxpayer during such year to postsecondary educational institutions located within Indiana (including any of its associated colleges in Indiana) or to any corporation or foundation organized and operated solely for the benefit of any postsecondary educational institution.

(b) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year shall not exceed one hundred dollars ($100) in the case of a single return or two hundred dollars ($200) in the case of a joint return.

(c) In the case of a corporation, the amount allowable as a credit under this section for any taxable year shall not exceed:

(1) ten percent (10%) of such corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for such year (as determined without regard to any credits against that tax); or

(2) one thousand dollars ($1,000);

whichever is less.

(d) A charitable contribution in Indiana qualifies for a credit under this section only if the charitable contribution is made to a postsecondary educational institution or a corporation or foundation organized for the benefit of a postsecondary educational institution that:

(1) normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on;

(2) regularly offers education at a level above the twelfth grade;

(3) regularly awards either associate, bachelors, masters, or doctoral degrees, or any combination thereof; and

(4) is duly accredited by the North Central Association of Colleges and Schools, the Indiana state board of education, or the American Association of Theological Schools.

(e) The credit allowed by this section shall not exceed the amount of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1

through IC 6-3-7.
(Formerly: Acts 1963(ss), c.32, s.305; Acts 1967, c.201, s.1; Acts 1969, c.326, s.4; Acts 1971, P.L.64, SEC.8.) As amended by Acts 1978, P.L.45, SEC.1; Acts 1981, P.L.77, SEC.10; P.L.20-1984, SEC.4; P.L.66-1988, SEC.1; P.L.5-1995, SEC.6; P.L.1-2003, SEC.33; P.L.269-2003, SEC.6; P.L.2-2007, SEC.121.

IC 6-3-3-5.1
Credit; charitable contribution; twenty-first century scholars program support fund

Sec. 5.1. (a) At the election of the taxpayer, a credit against the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an amount (subject to the applicable limitations provided by this section) equal to fifty percent (50%) of the aggregate amount of contributions made by the taxpayer during the taxable year to the twenty-first century scholars program support fund established under IC 21-12-7-1.

(b) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year may not exceed:

(1) one hundred dollars ($100) in the case of a single return; or
(2) two hundred dollars ($200) in the case of a joint return.

(c) In the case of a taxpayer that is a corporation, the amount allowable as a credit under this section for any taxable year may not exceed the lesser of the following amounts:

(1) Ten percent (10%) of the corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for the taxable year (as determined without regard to any credits against that tax).
(2) One thousand dollars ($1,000).

(d) The credit permitted under this section may not exceed the amount of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.
As added by P.L.56-1990, SEC.1. Amended by P.L.1-2003, SEC.34; P.L.269-2003, SEC.7; P.L.2-2007, SEC.122.

IC 6-3-3-6
Repealed

(Repealed by Acts 1981, P.L.25, SEC.9.)

IC 6-3-3-7
Repealed

(Repealed by P.L.96-1989, SEC.25.)

IC 6-3-3-8
Repealed

(Repealed by Acts 1981, P.L.25, SEC.9.)

IC 6-3-3-9

Unified tax credit for the elderly

Sec. 9. (a) The credit provided by this section shall be known as the unified tax credit for the elderly.

(b) As used in this section, unless the context clearly indicates otherwise:

(1) "Household federal adjusted gross income" means the total adjusted gross income, as defined in Section 62 of the Internal Revenue Code, of an individual, or of an individual and his spouse if they reside together for the taxable year for which the credit provided by this section is claimed.

(2) "Household" means a claimant or, if applicable, a claimant and his or her spouse if the spouse resides with the claimant and "household income" means the income of the claimant or, if applicable, the combined income of the claimant and his or her spouse if the spouse resides with the claimant.

(3) "Claimant" means an individual, other than an individual described in subsection (c) of this section, who:

(A) has filed a claim under this section;

(B) was a resident of this state for at least six (6) months during the taxable year for which he or she has filed a claim under this section; and

(C) was sixty-five (65) years of age during some portion of the taxable year for which he has filed a claim under this section or whose spouse was either sixty-five (65) years of age or over during the taxable year.

(c) The credit provided under this section shall not apply to an individual who, for a period of at least one hundred eighty (180) days during the taxable year for which he has filed a claim under this section, was incarcerated in a local, state, or federal correctional institution.

(d) The right to file a claim under this section shall be personal to the claimant and shall not survive his death, except that a surviving spouse of a claimant is entitled to claim the credit provided by this section. For purposes of determining the amount of the credit a surviving spouse is entitled to claim under this section, the deceased spouse shall be treated as having been alive on the last day of the taxable year in which the deceased spouse died. When a claimant dies after having filed a timely claim, the amount thereof shall be disbursed to another member of the household as determined by the commissioner. If the claimant was the only member of his household, the claim may be paid to his executor or administrator, but if neither is appointed and qualified within two (2) years of the filing of the claim, the amount of the claim shall escheat to the state.

(e) For each taxable year, subject to the limitations provided in this section, one (1) claimant per household may claim, as a credit against Indiana adjusted gross income taxes otherwise due, the credit provided by this section. If the allowable amount of the claim exceeds the income taxes otherwise due on the claimant's household income or if there are no Indiana income taxes due on such income, the amount of the claim not used as an offset against income taxes

after audit by the department, at the taxpayer's option, shall be refunded to the claimant or taken as a credit against such taxpayer's income tax liability subsequently due.

(f) No claim filed pursuant to this section shall be allowed unless filed within six (6) months following the close of claimant's taxable year or within the extension period if an extension of time for filing the return has been granted under IC 6-8.1-6-1, whichever is later.

(g) The amount of any claim otherwise payable under this section may be applied by the department against any liability outstanding on the books of the department against the claimant, or against any other individual who was a member of his household in the taxable year to which the claim relates.

(h) The amount of a claim filed pursuant to this section by a claimant that either (i) does not reside with his spouse during the taxable year, or (ii) resides with his spouse during the taxable year and only one (1) of them is sixty-five (65) years of age or older at the end of the taxable year, shall be determined in accordance with the following schedule:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
less than $1,000	$100
at least $1,000, but less than $3,000	$ 50
at least $3,000, but less than $10,000	$ 40

(i) The amount of a claim filed pursuant to this section by a claimant that resides with his spouse during his taxable year shall be determined in accordance with the following schedule if both the claimant and spouse are sixty-five (65) years of age or older at the end of the taxable year:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
less than $1,000	$140
at least $1,000, but less than $3,000	$ 90
at least $3,000, but less than $10,000	$ 80

(j) The department may promulgate reasonable rules under IC 4-22-2 for the administration of this section.

(k) Every claimant under this section shall supply to the department on forms provided under IC 6-8.1-3-4, in support of his claim, reasonable proof of household income and age.

(l) Whenever on the audit of any claim filed under this section the department finds that the amount of the claim has been incorrectly determined, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final.

(m) In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and, if the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be canceled and the amount paid shall be recovered by assessment as

income taxes are assessed and such assessment shall bear interest from the date of payment or credit of the claim, until refunded or paid at the rate determined under IC 6-8.1-10-1. The claimant in such a case commits a Class A misdemeanor. In any case in which it is determined that a claim is or was excessive and was negligently prepared, ten percent (10%) of the corrected claim shall be disallowed and, if the claim has been paid or credited against income taxes otherwise payable, the credit shall be reduced or canceled, and the proper portion of any amount paid shall be similarly recovered by assessment as income taxes are assessed, and such assessment shall bear interest at the rate determined under IC 6-8.1-10-1 from the date of payment until refunded or paid.

As added by Acts 1982, P.L.6, SEC.5. Amended by P.L.83-1983, SEC.1; P.L.73-1985, SEC.2.

IC 6-3-3-10

Enterprise zone employers; credit; employment expenditures

Sec. 10. (a) As used in this section:

"Base period wages" means the following:

(1) In the case of a taxpayer other than a pass through entity, wages paid or payable by a taxpayer to its employees during the year that ends on the last day of the month that immediately precedes the month in which an enterprise zone is established, to the extent that the wages would have been qualified wages if the enterprise zone had been in effect for that year. If the taxpayer did not engage in an active trade or business during that year in the area that is later designated as an enterprise zone, then the base period wages equal zero (0). If the taxpayer engaged in an active trade or business during only part of that year in an area that is later designated as an enterprise zone, then the department shall determine the amount of base period wages.

(2) In the case of a taxpayer that is a pass through entity, base period wages equal zero (0).

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Enterprise zone adjusted gross income" means adjusted gross income of a taxpayer that is derived from sources within an enterprise zone. Sources of adjusted gross income shall be determined with respect to an enterprise zone, to the extent possible, in the same manner that sources of adjusted gross income are determined with respect to the state of Indiana under IC 6-3-2-2.

"Enterprise zone gross income" means gross income of a taxpayer that is derived from sources within an enterprise zone.

"Enterprise zone insurance premiums" means insurance premiums derived from sources within an enterprise zone.

"Monthly base period wages" means base period wages divided by twelve (12).

"Qualified employee" means an individual who is employed by a taxpayer and who:

(1) has the individual's principal place of residence in the enterprise zone in which the individual is employed;

(2) performs services for the taxpayer, ninety percent (90%) of which are directly related to the conduct of the taxpayer's trade or business that is located in an enterprise zone;

(3) performs at least fifty percent (50%) of the individual's services for the taxpayer during the taxable year in the enterprise zone; and

(4) in the case of an individual who is employed by a taxpayer that is a pass through entity, was first employed by the taxpayer after December 31, 1998.

"Qualified increased employment expenditures" means the following:

(1) For a taxpayer's taxable year other than the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during the taxable year to qualified employees exceeds the taxpayer's base period wages.

(2) For the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during all of the full calendar months in the taxpayer's taxable year that succeed the date on which the enterprise zone was established exceed the taxpayer's monthly base period wages multiplied by that same number of full calendar months.

"Qualified state tax liability" means a taxpayer's total income tax liability incurred under:

(1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with respect to enterprise zone adjusted gross income;

(2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; and

(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this section.

"Qualified wages" means the wages paid or payable to qualified employees during a taxable year.

"Taxpayer" includes a pass through entity.

(b) A taxpayer is entitled to a credit against the taxpayer's qualified state tax liability for a taxable year in the amount of the lesser of:

(1) the product of ten percent (10%) multiplied by the qualified increased employment expenditures of the taxpayer for the taxable year; or

(2) one thousand five hundred dollars ($1,500) multiplied by the number of qualified employees employed by the taxpayer during the taxable year.

(c) The amount of the credit provided by this section that a taxpayer uses during a particular taxable year may not exceed the taxpayer's qualified state tax liability for the taxable year. If the

credit provided by this section exceeds the amount of that tax liability for the taxable year it is first claimed, then the excess may be carried back to preceding taxable years or carried over to succeeding taxable years and used as a credit against the taxpayer's qualified state tax liability for those taxable years. Each time that the credit is carried back to a preceding taxable year or carried over to a succeeding taxable year, the amount of the carryover is reduced by the amount used as a credit for that taxable year. Except as provided in subsection (e), the credit provided by this section may be carried forward and applied in the ten (10) taxable years that succeed the taxable year in which the credit accrues. The credit provided by this section may be carried back and applied in the three (3) taxable years that precede the taxable year in which the credit accrues.

(d) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's qualified state tax liability for that taxable year before any credit carryover or carryback is applied against that liability under subsection (c).

(e) Notwithstanding subsection (c), if a credit under this section results from wages paid in a particular enterprise zone, and if that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use the credit carryover that results from those wages under subsection (c), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the enterprise zone terminates.

(f) A taxpayer is not entitled to a refund of any unused credit.

(g) A taxpayer that:

(1) does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and

(2) is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise zone;

is exempt from the allocation and apportionment provisions of this section.

(h) If a pass through entity is entitled to a credit under subsection (b) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

As added by P.L.23-1983, SEC.12. Amended by P.L.9-1986, SEC.6; P.L.347-1989(ss), SEC.9; P.L.120-1999, SEC.3; P.L.14-2000, SEC.17; P.L.1-2003, SEC.35; P.L.269-2003, SEC.8; P.L.4-2005, SEC.50; P.L.182-2009(ss), SEC.197.

IC 6-3-3-12

Credit for contributions to college choice education savings plan; repayment of credit after nonqualified withdrawals

Sec. 12. (a) As used in this section, "account" has the meaning set forth in IC 21-9-2-2.

(b) As used in this section, "account beneficiary" has the meaning set forth in IC 21-9-2-3.

(c) As used in this section, "account owner" has the meaning set forth in IC 21-9-2-4.

(d) As used in this section, "college choice 529 education savings plan" refers to a college choice 529 investment plan established under IC 21-9.

(e) As used in this section, "contribution" means the amount of money directly provided to a college choice 529 education savings plan account by a taxpayer. A contribution does not include any of the following:

(1) Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account.

(2) Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

(f) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is not a qualified withdrawal.

(g) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5.

(h) As used in this section, "qualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is made:

(1) to pay for qualified higher education expenses, excluding any withdrawals or distributions used to pay for qualified higher education expenses if the withdrawals or distributions are made from an account of a college choice 529 education savings plan that is terminated within twelve (12) months after the account is opened;

(2) as a result of the death or disability of an account beneficiary;

(3) because an account beneficiary received a scholarship that paid for all or part of the qualified higher education expenses of the account beneficiary, to the extent that the withdrawal or distribution does not exceed the amount of the scholarship; or

(4) by a college choice 529 education savings plan as the result of a transfer of funds by a college choice 529 education savings plan from one (1) third party custodian to another.

A qualified withdrawal does not include a rollover distribution or transfer of assets from a college choice 529 education savings plan to any other qualified tuition program under Section 529 of the Internal Revenue Code or to any other similar plan.

(i) As used in this section, "taxpayer" means:

(1) an individual filing a single return; or

(2) a married couple filing a joint return.

(j) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:

(1) Twenty percent (20%) of the amount of the total contributions made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year.

(2) One thousand dollars ($1,000).

(3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(k) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

(l) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.

(m) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.

(n) An account owner of an account of a college choice 529 education savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made from the account. The amount the taxpayer must repay is equal to the lesser of:

(1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the account; or

(2) the excess of:

(A) the cumulative amount of all credits provided by this section that are claimed by any taxpayer with respect to the taxpayer's contributions to the account for all prior taxable years beginning on or after January 1, 2007; over

(B) the cumulative amount of repayments paid by the account owner under this subsection for all prior taxable years beginning on or after January 1, 2008.

(o) Any required repayment under subsection (o) shall be reported by the account owner on the account owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.

(p) A nonresident account owner who is not required to file an annual income tax return for a taxable year in which a nonqualified withdrawal is made shall make any required repayment on the form

required under IC 6-3-4-1(2). If the nonresident account owner does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(q) The executive director of the Indiana education savings authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to account owners, account beneficiaries, and other taxpayers for each taxable year with respect to:

(1) nonqualified withdrawals made from accounts of a college choice 529 education savings plan for the taxable year; or

(2) account closings for the taxable year.

As added by P.L.192-2006, SEC.4. Amended by P.L.211-2007, SEC.22; P.L.131-2008, SEC.13; P.L.182-2009(ss), SEC.198.

IC 6-3-3-13
Adoption credit

Effective 1-1-2015.

Sec. 13. (a) This section applies only to taxable years beginning after December 31, 2014.

(b) Each taxable year, an individual who is eligible to claim the credit provided by Section 23 of the Internal Revenue Code on the individual's federal return for the taxable year is entitled to a credit against the individual's adjusted gross income tax liability for the taxable year equal to the lesser of:

(1) the amount of the credit allowable under Section 23 of the Internal Revenue Code for each eligible child on the individual's federal return for the taxable year multiplied by ten percent (10%); or

(2) one thousand dollars ($1,000) for each eligible child.

(c) The credit provided by this section may not exceed the amount of the taxpayer's adjusted gross income tax liability for the taxable year, reduced by the sum of all credits for the taxable year that are applied before the application of the credit provided by this section. The amount of any unused credit under this section for a taxable year may not be carried forward to a succeeding taxable year, carried back to a preceding taxable year, or refunded.

(d) If all or part of the credit allowed under Section 23 of the Internal Revenue Code for a taxable year beginning after December 31, 2014, is required to be claimed in, or carried forward to, a taxable year after the taxable year in which the credit is first allowed, the part carried forward and allowed to be claimed as a credit shall be treated as allowable under subsection (b). A credit first allowed under Section 23 of the Internal Revenue Code for a taxable year beginning before January 1, 2015, and required to be claimed in, or carried forward to, a taxable year after the taxable year in which the credit is first allowed shall not be treated as allowable under subsection (b).

As added by P.L.132-2014, SEC.1.

IC 6-3-3.1
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-3.2
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-3.3
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-3.4
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-3.5
Repealed

(Repealed by P.L.51-1984, SEC.4.)

IC 6-3-3.6
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-3.7
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-3.8
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-3.9
Repealed

(Repealed by P.L.51-1984, SEC.3.)

IC 6-3-4

Chapter 4. Returns and Remittances

IC 6-3-4-1

Who must make returns

Sec. 1. Returns with respect to taxes imposed by this act shall be made by the following:

(1) Every resident individual having for the taxable year gross income in an amount greater than the modifications provided under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4).

(2) Every nonresident individual having for the taxable year any gross income from sources within the state of Indiana, except for a team member (as defined in IC 6-3-2-2.7) who is covered by a composite return filed under IC 6-3-2-2.7.

(3) Every corporation having for the taxable year any gross income from sources within the state of Indiana.

(4) For taxable years beginning after December 31, 2012, every resident estate having for the taxable year any gross income from sources within the state of Indiana exceeding the amount provided in Section 6012(a)(3) of the Internal Revenue Code.

(5) For taxable years beginning after December 31, 2012, every resident trust having for the taxable year any gross income from sources within the state of Indiana exceeding the amount provided in Section 6012(a)(4) of the Internal Revenue Code.

(6) For taxable years beginning after December 31, 2012, every nonresident estate having for the taxable year any gross income from sources within the state of Indiana exceeding the amount provided in Section 6012(a)(3) of the Internal Revenue Code.

(7) For taxable years beginning after December 31, 2012, every nonresident trust having for the taxable year any gross income from sources within the state of Indiana exceeding the amount provided in Section 6012(a)(4) of the Internal Revenue Code.

(Formerly: Acts 1963(ss), c.32, s.401; Acts 1965, c.233, s.16.) As amended by Acts 1981, P.L.25, SEC.7; P.L.63-1997, SEC.3; P.L.137-2012, SEC.54.

IC 6-3-4-1.5

Returns filed by professional preparers

Sec. 1.5. (a) If a professional preparer files more than:

(1) one hundred (100) returns in a calendar year before 2012;

(2) fifty (50) returns in calendar year 2012; and

(3) ten (10) returns in a calendar year after 2012;

for persons described in section 1(1) or 1(2) of this chapter, in the immediately following calendar year the professional preparer shall file returns for persons described in section 1(1) or 1(2) of this chapter in an electronic format specified by the department.

(b) A professional preparer described in subsection (a) is not required to file a return in an electronic format if the taxpayer requests in writing that the return not be filed in an electronic format. Returns filed by a professional preparer under this subsection shall

not be used in determining the professional preparer's requirement to file returns in an electronic format.

(c) A professional preparer who does not comply with subsection (a) is subject to a penalty of fifty dollars ($50) for each return not filed in an electronic format, with a maximum penalty of twenty-five thousand dollars ($25,000) per calendar year.

As added by P.L.211-2007, SEC.23. Amended by P.L.131-2008, SEC.14; P.L.229-2011, SEC.86.

IC 6-3-4-2

Returns; fiduciaries; husband and wife

Sec. 2. (a) If an individual is deceased, the return of such individual shall be made by the individual's executor, administrator, or other person charged with the property of such decedent.

(b) If an individual is unable to make a return, the return of such individual shall be made by a duly authorized agent, the individual's committee, guardian, fiduciary, or other person charged with the care of the person or property of such individual.

(c) Returns of an estate or a trust shall be made by the fiduciary thereof.

(d) Where a joint return is made by husband and wife pursuant to the Internal Revenue Code, a joint return shall be made pursuant to this article. Where a joint return is filed by a husband and wife hereunder, one spouse shall have no liability for the tax imposed by this article upon the income of the other spouse.

(e) Where separate returns are made by husband and wife pursuant to the Internal Revenue Code, separate returns shall be made pursuant to this article.

(Formerly: Acts 1963(ss), c.32, s.402; Acts 1965, c.233, s.17.) As amended by Acts 1977(ss), P.L.4, SEC.9; P.L.3-1989, SEC.39.

IC 6-3-4-3

Filing date

Sec. 3. Returns required to be made pursuant to section 1 of this chapter shall be filed with the department on or before the later of the following:

(1) The 15th day of the fourth month following the close of the taxable year.

(2) For a corporation whose federal tax return is due on or after the date set forth in subdivision (1), as determined without regard to any extensions, weekends, or holidays, the 15th day of the month following the due date of the federal tax return.

(Formerly: Acts 1963(ss), c.32, s.403.) As amended by Acts 1980, P.L.61, SEC.4; P.L.172-2011, SEC.58.

IC 6-3-4-4

Repealed

(Repealed by P.L.260-1997(ss), SEC.95.)

IC 6-3-4-4.1

Estimated payments; declaration of estimated tax; electronic funds transfer

Sec. 4.1. (a) Any individual required by the Internal Revenue Code to file estimated tax returns and to make payments on account of such estimated tax shall file estimated tax returns and make payments of the tax imposed by this article to the department at the time or times and in the installments as provided by Section 6654 of the Internal Revenue Code. However, the following apply to estimated tax returns filed and payments made under this subsection:

(1) In applying Section 6654 of the Internal Revenue Code for the purposes of this article, "estimated tax" means the amount which the individual estimates as the amount of the adjusted gross income tax imposed by this article for the taxable year, minus the amount which the individual estimates as the sum of any credits against the tax provided by IC 6-3-3.

(2) Estimated tax for a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) must be computed by applying not more than one (1) exclusion under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4), regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year.

(b) Every individual who has adjusted gross income subject to the tax imposed by this article and from which tax is not withheld under the requirements of section 8 of this chapter shall make a declaration of estimated tax for the taxable year. However, no such declaration shall be required if the estimated tax can reasonably be expected to be less than one thousand dollars ($1,000). In the case of an underpayment of the estimated tax as provided in Section 6654 of the Internal Revenue Code, there shall be added to the tax a penalty in an amount prescribed by IC 6-8.1-10-2.1(b).

(c) Every corporation subject to the adjusted gross income tax liability imposed by this article shall be required to report and pay an estimated tax equal to the lesser of:

(1) twenty-five percent (25%) of such corporation's estimated adjusted gross income tax liability for the taxable year; or

(2) the annualized income installment calculated in the manner provided by Section 6655(e) of the Internal Revenue Code as applied to the corporation's liability for adjusted gross income tax.

A taxpayer who uses a taxable year that ends on December 31 shall file the taxpayer's estimated adjusted gross income tax returns and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year. If a taxpayer uses a taxable year that does not end on December 31, the due dates for filing estimated adjusted gross income tax returns and paying the tax are on or before the twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year. The department shall prescribe the manner and forms for such reporting and payment.

(d) The penalty prescribed by IC 6-8.1-10-2.1(b) shall be assessed

by the department on corporations failing to make payments as required in subsection (c) or (f). However, no penalty shall be assessed as to any estimated payments of adjusted gross income tax which equal or exceed:

(1) the annualized income installment calculated under subsection (c); or

(2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

In addition, the penalty as to any underpayment of tax on an estimated return shall only be assessed on the difference between the actual amount paid by the corporation on such estimated return and twenty-five percent (25%) of the corporation's final adjusted gross income tax liability for such taxable year.

(e) The provisions of subsection (c) requiring the reporting and estimated payment of adjusted gross income tax shall be applicable only to corporations having an adjusted gross income tax liability which, after application of the credit allowed by IC 6-3-3-2 (repealed), shall exceed two thousand five hundred dollars ($2,500) for its taxable year.

(f) If the department determines that a corporation's:

(1) estimated quarterly adjusted gross income tax liability for the current year; or

(2) average estimated quarterly adjusted gross income tax liability for the preceding year;

exceeds five thousand dollars ($5,000), after the credit allowed by IC 6-3-3-2 (repealed), the corporation shall pay the estimated adjusted gross income taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or overnight by courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(g) If a corporation's adjusted gross income tax payment is made by electronic funds transfer, the corporation is not required to file an estimated adjusted gross income tax return.

(h) An individual filing an estimated tax return and making an estimated tax payment under this section must designate:

(1) the portion of the estimated tax payment that represents estimated state adjusted gross income tax liability; and

(2) the portion of the estimated tax payment that represents estimated local income tax liability under IC 6-3.5.

The department shall adopt guidelines and issue instructions as necessary to assist individuals in making the designations required by this subsection.

As added by P.L.278-1993(ss), SEC.23. Amended by P.L.18-1994, SEC.9; P.L.19-1994, SEC.8; P.L.85-1995, SEC.10; P.L.8-1996, SEC.5; P.L.260-1997(ss), SEC.51; P.L.28-1997, SEC.14; P.L.2-1998, SEC.32; P.L.192-2002(ss), SEC.80; P.L.1-2003, SEC.36; P.L.269-2003, SEC.9; P.L.211-2007, SEC.24; P.L.131-2008, SEC.15; P.L.146-2008, SEC.319; P.L.1-2009, SEC.50.

IC 6-3-4-5
Payment of tax

Sec. 5. When a return of tax is required pursuant to sections 1 and 3 of this chapter, the taxpayer required to make such return shall, without assessment or notice and demand from the department, pay such tax to the department at the time fixed for filing the return without regard to any extension of time for filing the return. In making a return and paying tax for any taxable year, a taxpayer shall take credit for any tax previously paid by him for such taxable year. *(Formerly: Acts 1963(ss), c.32, s.405.) As amended by P.L.2-1988, SEC.11.*

IC 6-3-4-6
Furnishing federal return to department; notice of modification; amended returns

Sec. 6. (a) Any taxpayer, upon request by the department, shall furnish to the department a true and correct copy of any tax return which the taxpayer has filed with the United States Internal Revenue Service which copy shall be certified to by the taxpayer under penalties of perjury.

(b) Each taxpayer shall notify the department of any modification of:

(1) a federal income tax return filed by the taxpayer after January 1, 1978; or

(2) the taxpayer's federal income tax liability for a taxable year which begins after December 31, 1977.

The taxpayer shall file the notice on the form prescribed by the department within one hundred twenty (120) days after the modification is made if the modification was made before January 1, 2011, and one hundred eighty (180) days after the modification is made if the modification is made after December 31, 2010.

(c) If the federal modification results in a change in the taxpayer's federal or Indiana adjusted gross income, the taxpayer shall file an Indiana amended return within one hundred twenty (120) days after the modification is made if the modification was made before January 1, 2011, and one hundred eighty (180) days after the modification is made if the modification is made after December 31, 2010.

(Formerly: Acts 1963(ss), c.32, s.406; Acts 1965, c.233, s.19.) As amended by Acts 1977(ss), P.L.4, SEC.11; P.L.119-1998, SEC.5; P.L.254-2003, SEC.6; P.L.172-2011, SEC.59.

IC 6-3-4-7
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-4-8 Version a
Income withholding; wages; reports; penalties

Note: This version of section amended by P.L.293-2013(ts), SEC.12. See also following version of this section amended by

P.L.158-2013, SEC.86, effective 7-1-2014.

Sec. 8. (a) Except as provided in subsection (d), every employer making payments of wages subject to tax under this article, regardless of the place where such payment is made, who is required under the provisions of the Internal Revenue Code to withhold, collect, and pay over income tax on wages paid by such employer to such employee, shall, at the time of payment of such wages, deduct and retain therefrom the amount prescribed in withholding instructions issued by the department. The department shall base its withholding instructions on the adjusted gross income tax rate for persons, on the total rates of any income taxes that the taxpayer is subject to under IC 6-3.5, and on the total amount of exclusions the taxpayer is entitled to under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4). However, the withholding instructions on the adjusted gross income of a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) are to be based on applying not more than one (1) withholding exclusion, regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year. Such employer making payments of any wages:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and withheld under this section and shall not be liable to any individual for the amount deducted from the individual's wages and paid over in compliance or intended compliance with this section; and

(2) shall make return of and payment to the department monthly of the amount of tax which under this article and IC 6-3.5 the employer is required to withhold.

(b) An employer shall pay taxes withheld under subsection (a) during a particular month to the department no later than thirty (30) days after the end of that month. However, in place of monthly reporting periods, the department may permit an employer to report and pay the tax for a calendar year reporting period, if the amount of all tax required to be withheld by the employer in the previous calendar year does not exceed one thousand dollars ($1,000). An employer using a reporting period (other than a monthly reporting period) must file the employer's return and pay the tax for a reporting period no later than the last day of the month immediately following the close of the reporting period.

(c) For purposes of determining whether an employee is subject to taxation under IC 6-3.5, an employer is entitled to rely on the statement of an employee as to the employee's county of residence as represented by the statement of address in forms claiming exemptions for purposes of withholding, regardless of when the employee supplied the forms. Every employee shall notify the employee's employer within five (5) days after any change in the employee's county of residence.

(d) A county that makes payments of wages subject to tax under this article:

(1) to a precinct election officer (as defined in IC 3-5-2-40.1);

and

(2) for the performance of the duties of the precinct election officer imposed by IC 3 that are performed on election day;

is not required, at the time of payment of the wages, to deduct and retain from the wages the amount prescribed in withholding instructions issued by the department.

(e) Every employer shall, at the time of each payment made by the employer to the department, deliver to the department a return upon the form prescribed by the department showing:

(1) the total amount of wages paid to the employer's employees;

(2) the amount deducted therefrom in accordance with the provisions of the Internal Revenue Code;

(3) the amount of adjusted gross income tax deducted therefrom in accordance with the provisions of this section;

(4) the amount of income tax, if any, imposed under IC 6-3.5 and deducted therefrom in accordance with this section; and

(5) any other information the department may require.

Every employer making a declaration of withholding as provided in this section shall furnish the employer's employees annually, but not later than thirty (30) days after the end of the calendar year, a record of the total amount of adjusted gross income tax and the amount of each income tax, if any, imposed under IC 6-3.5, withheld from the employees, on the forms prescribed by the department.

(f) All money deducted and withheld by an employer shall immediately upon such deduction be the money of the state, and every employer who deducts and retains any amount of money under the provisions of this article shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in this article. Any employer may be required to post a surety bond in the sum the department determines to be appropriate to protect the state with respect to money withheld pursuant to this section.

(g) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to employers subject to the provisions of this section, and for these purposes any amount deducted or required to be deducted and remitted to the department under this section shall be considered to be the tax of the employer, and with respect to such amount the employer shall be considered the taxpayer. In the case of a corporate or partnership employer, every officer, employee, or member of such employer, who, as such officer, employee, or member is under a duty to deduct and remit such taxes shall be personally liable for such taxes, penalties, and interest.

(h) Amounts deducted from wages of an employee during any calendar year in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such employee for the employee's taxable year which begins in such calendar year, and a return made by the employer under subsection (b) shall be accepted by the department as evidence in favor of the employee of the amount so deducted from the employee's wages. Where the total amount so deducted exceeds the amount of tax on the

employee as computed under this article and IC 6-3.5, the department shall, after examining the return or returns filed by the employee in accordance with this article and IC 6-3.5, refund the amount of the excess deduction. However, under rules promulgated by the department, the excess or any part thereof may be applied to any taxes or other claim due from the taxpayer to the state of Indiana or any subdivision thereof. No refund shall be made to an employee who fails to file the employee's return or returns as required under this article and IC 6-3.5 within two (2) years from the due date of the return or returns. In the event that the excess tax deducted is less than one dollar ($1), no refund shall be made.

(i) This section shall in no way relieve any taxpayer from the taxpayer's obligation of filing a return or returns at the time required under this article and IC 6-3.5, and, should the amount withheld under the provisions of this section be insufficient to pay the total tax of such taxpayer, such unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(j) Notwithstanding subsection (b), an employer of a domestic service employee that enters into an agreement with the domestic service employee to withhold federal income tax under Section 3402 of the Internal Revenue Code may withhold Indiana income tax on the domestic service employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(k) To the extent allowed by Section 1137 of the Social Security Act, an employer of a domestic service employee may report and remit state unemployment insurance contributions on the employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(l) A person who knowingly fails to remit trust fund money as set forth in this section commits a Class D felony.

(Formerly: Acts 1963(ss), c.32, s.408; Acts 1965, c.233, s.20; Acts 1969, c.326, s.6; Acts 1971, P.L.65, SEC.1; Acts 1973, P.L.50, SEC.3.) As amended by Acts 1979, P.L.68, SEC.3; Acts 1980, P.L.61, SEC.6; Acts 1982, P.L.49, SEC.2; P.L.2-1982(ss), SEC.9; P.L.26-1985, SEC.10; P.L.70-1986, SEC.2; P.L.94-1995, SEC.1; P.L.8-1996, SEC.6; P.L.192-2002(ss), SEC.81; P.L.131-2008, SEC.16; P.L.172-2011, SEC.60; P.L.137-2012, SEC.55; P.L.293-2013(ts), SEC.12.

IC 6-3-4-8 Version b

Income withholding; wages; reports; penalties

Note: This version of section amended by P.L.158-2013, SEC.86, effective 7-1-2014. See also preceding version of this section amended by P.L.293-2013(ts), SEC.12.

Sec. 8. (a) Except as provided in subsection (d), every employer making payments of wages subject to tax under this article, regardless of the place where such payment is made, who is required under the provisions of the Internal Revenue Code to withhold,

collect, and pay over income tax on wages paid by such employer to such employee, shall, at the time of payment of such wages, deduct and retain therefrom the amount prescribed in withholding instructions issued by the department. The department shall base its withholding instructions on the adjusted gross income tax rate for persons, on the total rates of any income taxes that the taxpayer is subject to under IC 6-3.5, and on the total amount of exclusions the taxpayer is entitled to under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4). However, the withholding instructions on the adjusted gross income of a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) are to be based on applying not more than one (1) withholding exclusion, regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year. Such employer making payments of any wages:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and withheld under this section and shall not be liable to any individual for the amount deducted from the individual's wages and paid over in compliance or intended compliance with this section; and

(2) shall make return of and payment to the department monthly of the amount of tax which under this article and IC 6-3.5 the employer is required to withhold.

(b) An employer shall pay taxes withheld under subsection (a) during a particular month to the department no later than thirty (30) days after the end of that month. However, in place of monthly reporting periods, the department may permit an employer to report and pay the tax for a calendar year reporting period, if the average monthly amount of all tax required to be withheld by the employer in the previous calendar year does not exceed one thousand dollars ($1,000). An employer using a reporting period (other than a monthly reporting period) must file the employer's return and pay the tax for a reporting period no later than the last day of the month immediately following the close of the reporting period.

(c) For purposes of determining whether an employee is subject to taxation under IC 6-3.5, an employer is entitled to rely on the statement of an employee as to the employee's county of residence as represented by the statement of address in forms claiming exemptions for purposes of withholding, regardless of when the employee supplied the forms. Every employee shall notify the employee's employer within five (5) days after any change in the employee's county of residence.

(d) A county that makes payments of wages subject to tax under this article:

(1) to a precinct election officer (as defined in IC 3-5-2-40.1); and

(2) for the performance of the duties of the precinct election officer imposed by IC 3 that are performed on election day;

is not required, at the time of payment of the wages, to deduct and retain from the wages the amount prescribed in withholding

instructions issued by the department.

(e) Every employer shall, at the time of each payment made by the employer to the department, deliver to the department a return upon the form prescribed by the department showing:

(1) the total amount of wages paid to the employer's employees;

(2) the amount deducted therefrom in accordance with the provisions of the Internal Revenue Code;

(3) the amount of adjusted gross income tax deducted therefrom in accordance with the provisions of this section;

(4) the amount of income tax, if any, imposed under IC 6-3.5 and deducted therefrom in accordance with this section; and

(5) any other information the department may require.

Every employer making a declaration of withholding as provided in this section shall furnish the employer's employees annually, but not later than thirty (30) days after the end of the calendar year, a record of the total amount of adjusted gross income tax and the amount of each income tax, if any, imposed under IC 6-3.5, withheld from the employees, on the forms prescribed by the department.

(f) All money deducted and withheld by an employer shall immediately upon such deduction be the money of the state, and every employer who deducts and retains any amount of money under the provisions of this article shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in this article. Any employer may be required to post a surety bond in the sum the department determines to be appropriate to protect the state with respect to money withheld pursuant to this section.

(g) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to employers subject to the provisions of this section, and for these purposes any amount deducted or required to be deducted and remitted to the department under this section shall be considered to be the tax of the employer, and with respect to such amount the employer shall be considered the taxpayer. In the case of a corporate or partnership employer, every officer, employee, or member of such employer, who, as such officer, employee, or member is under a duty to deduct and remit such taxes, shall be personally liable for such taxes, penalties, and interest.

(h) Amounts deducted from wages of an employee during any calendar year in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such employee for the employee's taxable year which begins in such calendar year, and a return made by the employer under subsection (b) shall be accepted by the department as evidence in favor of the employee of the amount so deducted from the employee's wages. Where the total amount so deducted exceeds the amount of tax on the employee as computed under this article and IC 6-3.5, the department shall, after examining the return or returns filed by the employee in accordance with this article and IC 6-3.5, refund the amount of the excess deduction. However, under rules promulgated by the department, the excess or any part thereof may be applied to any

taxes or other claim due from the taxpayer to the state of Indiana or any subdivision thereof. No refund shall be made to an employee who fails to file the employee's return or returns as required under this article and IC 6-3.5 within two (2) years from the due date of the return or returns. In the event that the excess tax deducted is less than one dollar ($1), no refund shall be made.

(i) This section shall in no way relieve any taxpayer from the taxpayer's obligation of filing a return or returns at the time required under this article and IC 6-3.5, and, should the amount withheld under the provisions of this section be insufficient to pay the total tax of such taxpayer, such unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(j) Notwithstanding subsection (b), an employer of a domestic service employee that enters into an agreement with the domestic service employee to withhold federal income tax under Section 3402 of the Internal Revenue Code may withhold Indiana income tax on the domestic service employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(k) To the extent allowed by Section 1137 of the Social Security Act, an employer of a domestic service employee may report and remit state unemployment insurance contributions on the employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(l) A person who knowingly fails to remit trust fund money as set forth in this section commits a Level 6 felony.

(Formerly: Acts 1963(ss), c.32, s.408; Acts 1965, c.233, s.20; Acts 1969, c.326, s.6; Acts 1971, P.L.65, SEC.1; Acts 1973, P.L.50, SEC.3.) As amended by Acts 1979, P.L.68, SEC.3; Acts 1980, P.L.61, SEC.6; Acts 1982, P.L.49, SEC.2; P.L.2-1982(ss), SEC.9; P.L.26-1985, SEC.10; P.L.70-1986, SEC.2; P.L.94-1995, SEC.1; P.L.8-1996, SEC.6; P.L.192-2002(ss), SEC.81; P.L.131-2008, SEC.16; P.L.172-2011, SEC.60; P.L.137-2012, SEC.55; P.L.158-2013, SEC.86.

IC 6-3-4-8.1

Income withholding; wages; reports; earned income tax advance payments; online tax filing; penalties

Sec. 8.1. (a) Any entity that is required to file a monthly return and make a monthly remittance of taxes under sections 8, 12, 13, and 15 of this chapter shall file those returns and make those remittances twenty (20) days (rather than thirty (30) days) after the end of each month for which those returns and remittances are filed, if that entity's average monthly remittance for the immediately preceding calendar year exceeds one thousand dollars ($1,000).

(b) The department may require any entity to make the entity's monthly remittance and file the entity's monthly return twenty (20) days (rather than thirty (30) days) after the end of each month for which a return and payment are made if the department estimates that

the entity's average monthly payment for the current calendar year will exceed one thousand dollars ($1,000).

(c) If the department determines that a withholding agent is not withholding, reporting, or remitting an amount of tax in accordance with this chapter, the department may require the withholding agent:

(1) to make periodic deposits during the reporting period; and

(2) to file an informational return with each periodic deposit.

(d) If the department determines that an entity's:

(1) estimated monthly withholding tax remittance for the current year; or

(2) average monthly withholding tax remittance for the preceding year;

exceeds five thousand dollars ($5,000), the entity shall remit the monthly withholding taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the remittance is due.

(e) An entity that withholds taxes shall file the withholding tax report and remit withholding taxes electronically through the department's online tax filing program.

As added by Acts 1982, P.L.49, SEC.3. Amended by P.L.70-1986, SEC.3; P.L.92-1987, SEC.4; P.L.63-1988, SEC.8; P.L.28-1997, SEC.15; P.L.254-2003, SEC.7; P.L.111-2006, SEC.3; P.L.211-2007, SEC.25; P.L.182-2009(ss), SEC.199; P.L.137-2012, SEC.56.

IC 6-3-4-8.2

Income withholding; gambling winnings

Sec. 8.2. (a) Each person in Indiana who is required under the Internal Revenue Code to withhold federal tax from winnings shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department.

(b) In addition to amounts withheld under subsection (a), every person engaged in a gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) and making a payment in the course of the gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) of:

(1) winnings (not reduced by the wager) valued at one thousand two hundred dollars ($1,200) or more from slot machine play; or

(2) winnings (reduced by the wager) valued at one thousand five hundred dollars ($1,500) or more from a keno game;

shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department. The department's instructions must provide that amounts withheld shall be paid to the department before the close of the business day following the day the winnings are paid, actually or constructively. Slot machine and keno winnings from a gambling operation (as defined in IC 4-33-2-10) or a gambling game (as

defined in IC 4-35-2-5) that are reportable for federal income tax purposes shall be treated as subject to withholding under this section, even if federal tax withholding is not required.

(c) The adjusted gross income tax due on prize money or prizes:

(1) received from a winning lottery ticket purchased under IC 4-30; and

(2) exceeding one thousand two hundred dollars ($1,200) in value;

shall be deducted and retained at the time and in the amount described in withholding instructions issued by the department, even if federal withholding is not required.

(d) In addition to the amounts withheld under subsection (a), a qualified organization (as defined in IC 4-32.2-2-24(a)) that awards a prize under IC 4-32.2 exceeding one thousand two hundred dollars ($1,200) in value shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department. The department's instructions must provide that amounts withheld shall be paid to the department before the close of the business day following the day the winnings are paid, actually or constructively.

As added by P.L.28-1997, SEC.16. Amended by P.L.192-2002(ss), SEC.82; P.L.91-2006, SEC.8; P.L.182-2009(ss), SEC.200.

IC 6-3-4-8.5

Liability of transferee of property

Sec. 8.5. In the case of a transferee of the property of a transferor, liability for any accrued tax liability of the transferor is transferred to the transferee as provided in section 6901 of the Internal Revenue Code.

As added by Acts 1977(ss), P.L.4, SEC.12.

IC 6-3-4-9

Reports of payment to recipients

Sec. 9. All individuals, corporations, limited liability companies, partnerships, fiduciaries, or associations, in whatever capacity acting, including but without being limited to, lessees or mortgagors of real or personal property, fiduciaries, and employers making payment to other persons of interest, rent, wages, salaries, premiums, annuities, compensation, remunerations, emoluments, other fixed or determinable means, profits and income, or corporate liquidation distributions shall make returns to the department setting forth the amount of such payments and the name and address of the recipient of such payment at such time or times in such manner, and on such forms as prescribed by the department.

(Formerly: Acts 1963(ss), c.32, s.409.) As amended by P.L.8-1993, SEC.84.

IC 6-3-4-10

Partnership returns

Sec. 10. (a) Except as provided in subsection (b), every

partnership doing business in this state, every partnership any partner of which is a resident, and every partnership which has gross income derived from sources within this state, shall make a return for each taxable year on a form to be prescribed by the department, which return shall correspond with the returns required by Section 6031 of the Internal Revenue Code, insofar as consistent with the provisions of this article. However, this section shall not be construed to render any partnership a taxpayer under this article.

(b) A partnership or a corporation that is exempt from income tax under Section 1363 of the Internal Revenue Code is not required to file:

(1) federal income tax Schedule K-1 (Form 1065) Partner's Share of Income, Credits, Deductions, Etc.; or

(2) federal income tax Schedule K-1 (Form 1120S) Shareholder's Share of Income, Credits, Deductions, Etc.;

with an annual return filed with the department. However, a federal income tax schedule described in this subsection must be available for inspection upon request by the department.

(Formerly: Acts 1963(ss), c.32, s.410.) As amended by P.L.2-1987, SEC.20; P.L.18-1994, SEC.10.

IC 6-3-4-11

Partnerships not subject to tax

Sec. 11. (a) A partnership as such shall not be subject to the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7. Persons or corporations carrying on business as partners shall be liable for the adjusted gross income tax only in their separate or individual capacities. In determining each partner's adjusted gross income, such partner shall take into account his or its distributive share of the adjustments provided for in IC 6-3-1-3.5.

(b) The adjustments provided for in IC 6-3-1-3.5 shall be allowed for the taxable year of the partner within or with which the partnership's taxable year ends.

(Formerly: Acts 1963(ss), c.32, s.411; Acts 1965, c.233, s.21.) As amended by Acts 1980, P.L.54, SEC.5.

IC 6-3-4-12

Nonresident partners; withholding rate; returns; credits for tax withheld

Sec. 12. (a) Every partnership shall, at the time that the partnership pays or credits amounts to any of its nonresident partners on account of their distributive shares of partnership income, for a taxable year of the partnership, deduct and retain therefrom the amount prescribed in the withholding instructions referred to in section 8 of this chapter. Such partnership so paying or crediting any nonresident partner:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and retained under this section and shall not be liable to such partner for the amount deducted from such payment or credit and paid over in compliance or intended

compliance with this section; and

(2) shall make return of and payment to the department monthly whenever the amount of tax due under IC 6-3 and IC 6-3.5 exceeds an aggregate amount of fifty dollars ($50) per month with such payment due on the thirtieth day of the following month, unless an earlier date is specified by section 8.1 of this chapter.

Where the aggregate amount due under IC 6-3 and IC 6-3.5 does not exceed fifty dollars ($50) per month, then such partnership shall make return and payment to the department quarterly, on such dates and in such manner as the department shall prescribe, of the amount of tax which, under IC 6-3 and IC 6-3.5, it is required to withhold.

(b) Every partnership shall, at the time of each payment made by it to the department pursuant to this section, deliver to the department a return upon such form as shall be prescribed by the department showing the total amounts paid or credited to its nonresident partners, the amount deducted therefrom in accordance with the provisions of this section, and such other information as the department may require. Every partnership making the deduction and retention provided in this section shall furnish to its nonresident partners annually, but not later than the fifteenth day of the third month after the end of its taxable year, a record of the amount of tax deducted and retained from such partners on forms to be prescribed by the department.

(c) All money deducted and retained by the partnership, as provided in this section, shall immediately upon such deduction be the money of the state of Indiana and every partnership which deducts and retains any amount of money under the provisions of IC 6-3 shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in IC 6-3. Any partnership may be required to post a surety bond in such sum as the department shall determine to be appropriate to protect the state of Indiana with respect to money deducted and retained pursuant to this section.

(d) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to partnerships subject to the provisions of this section, and for these purposes any amount deducted, or required to be deducted and remitted to the department under this section, shall be considered to be the tax of the partnership, and with respect to such amount it shall be considered the taxpayer.

(e) Amounts deducted from payments or credits to a nonresident partner during any taxable year of the partnership in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such nonresident partner for the nonresident partner's taxable year within or with which the partnership's taxable year ends. A return made by the partnership under subsection (b) shall be accepted by the department as evidence in favor of the nonresident partner of the amount so deducted for the nonresident partner's distributive share.

(f) This section shall in no way relieve any nonresident partner from the nonresident partner's obligations of filing a return or returns at the time required under IC 6-3 or IC 6-3.5, and any unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(g) Instead of the reporting periods required under subsection (a), the department may permit a partnership to file one (1) return and payment each year if the partnership pays or credits amounts to its nonresident partners only one (1) time each year. The return and payment are due on or before the fifteenth day of the fourth month after the end of the year.

(h) A partnership shall file a composite adjusted gross income tax return on behalf of all nonresident individual partners. The composite return must include each nonresident individual partner regardless of whether or not the nonresident individual partner has other Indiana source income.

(i) If a partnership does not include all nonresident partners in the composite return, the partnership is subject to the penalty imposed under IC 6-8.1-10-2.1(j).

(j) For taxable years beginning after December 31, 2013, the department may not impose a late payment penalty on a partnership for the failure to file a return, pay the full amount of the tax shown on the partnership's return, or pay the deficiency of the withholding taxes due under this section if the partnership pays the department at least:

(1) eighty percent (80%) of the withholding tax due for the current year; or

(2) one hundred percent (100%) of the withholding tax due for the preceding year before the fifteenth day of the fourth month after the end of the partnership's taxable year.

(Formerly: Acts 1963(ss), c.32, s.412; Acts 1965, c.233, s.22; Acts 1969, c.326, s.7; Acts 1971, P.L.65, SEC.2; Acts 1973, P.L.50, SEC.4.) As amended by Acts 1979, P.L.68, SEC.4; Acts 1982, P.L.49, SEC.4; P.L.2-1982(ss), SEC.10; P.L.23-1986, SEC.3; P.L.211-2007, SEC.26; P.L.137-2012, SEC.57; P.L.293-2013(ts), SEC.13.

IC 6-3-4-13

Corporations; withholding from dividends to nonresident shareholders

Sec. 13. (a) Every corporation which is exempt from tax under IC 6-3 pursuant to IC 6-3-2-2.8(2) shall, at the time that it pays or credits amounts to any of its nonresident shareholders as dividends or as their share of the corporation's undistributed taxable income, withhold the amount prescribed by the department. Such corporation so paying or crediting any nonresident shareholder:

(1) shall be liable to the state of Indiana for the payment of the tax required to be withheld under this section and shall not be liable to such shareholder for the amount withheld and paid over in compliance or intended compliance with this section; and

(2) when the aggregate amount due under IC 6-3 and IC 6-3.5

exceeds one hundred fifty dollars ($150) per quarter, then such corporation shall make return and payment to the department quarterly, on such dates and in such manner as the department shall prescribe, of the amount of tax which, under IC 6-3 and IC 6-3.5, it is required to withhold.

(b) Every corporation shall, at the time of each payment made by it to the department pursuant to this section, deliver to the department a return upon such form as shall be prescribed by the department showing the total amounts paid or credited to its nonresident shareholders, the amount withheld in accordance with the provisions of this section, and such other information as the department may require. Every corporation withholding as provided in this section shall furnish to its nonresident shareholders annually, but not later than the fifteenth day of the third month after the end of its taxable year, a record of the amount of tax withheld on behalf of such shareholders on forms to be prescribed by the department.

(c) All money withheld by a corporation, pursuant to this section, shall immediately upon being withheld be the money of the state of Indiana and every corporation which withholds any amount of money under the provisions of this section shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in IC 6-3. Any corporation may be required to post a surety bond in such sum as the department shall determine to be appropriate to protect the state of Indiana with respect to money withheld pursuant to this section.

(d) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to corporations subject to the provisions of this section, and for these purposes any amount withheld, or required to be withheld and remitted to the department under this section, shall be considered to be the tax of the corporation, and with respect to such amount it shall be considered the taxpayer.

(e) Amounts withheld from payments or credits to a nonresident shareholder during any taxable year of the corporation in accordance with the provisions of this section shall be considered to be a part payment of the tax imposed on such nonresident shareholder for the shareholder's taxable year within or with which the corporation's taxable year ends. A return made by the corporation under subsection (b) shall be accepted by the department as evidence in favor of the nonresident shareholder of the amount so withheld from the shareholder's distributive share.

(f) This section shall in no way relieve any nonresident shareholder from the shareholder's obligation of filing a return or returns at the time required under IC 6-3 or IC 6-3.5, and any unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(g) Instead of the reporting periods required under subsection (a), the department may permit a corporation to file one (1) return and payment each year if the corporation pays or credits amounts to its nonresident shareholders only one (1) time each year. The withholding return and payment are due on or before the fifteenth

day of the fourth month after the end of the taxable year of the corporation.

(h) If a distribution will be made with property other than money or a gain is realized without the payment of money, the corporation shall not release the property or credit the gain until it has funds sufficient to enable it to pay the tax required to be withheld under this section. If necessary, the corporation shall obtain such funds from the shareholders.

(i) If a corporation fails to withhold and pay any amount of tax required to be withheld under this section and thereafter the tax is paid by the shareholders, such amount of tax as paid by the shareholders shall not be collected from the corporation but it shall not be relieved from liability for interest or penalty otherwise due in respect to such failure to withhold under IC 6-8.1-10.

(j) A corporation described in subsection (a) shall file a composite adjusted gross income tax return on behalf of all nonresident shareholders. The composite return must include each nonresident individual shareholder regardless of whether or not the nonresident individual shareholder has other Indiana source income.

(k) If a corporation described in subsection (a) does not include all nonresident shareholders in the composite return, the corporation is subject to the penalty imposed under IC 6-8.1-10-2.1(j).

(l) For taxable years beginning after December 31, 2013, the department may not impose a late payment penalty on a corporation for the failure to file a return, pay the full amount of the tax shown on the corporation's return, or pay the deficiency of the withholding taxes due under this section if the corporation pays the department at least:

(1) eighty percent (80%) of the withholding tax due for the current year; or

(2) one hundred percent (100%) of the withholding tax due for the preceding year before the fifteenth day of the fourth month after the end of the corporation's taxable year.

(Formerly: Acts 1963(ss), c.32, s.413; Acts 1965, c.233, s.23; Acts 1969, c.326, s.8; Acts 1971, P.L.65, SEC.3; Acts 1973, P.L.50, SEC.5.) As amended by Acts 1979, P.L.68, SEC.5; Acts 1982, P.L.49, SEC.5; P.L.2-1982(ss), SEC.11; P.L.23-1986, SEC.4; P.L.18-1994, SEC.11; P.L.2-1995, SEC.32; P.L.211-2007, SEC.27; P.L.137-2012, SEC.58; P.L.293-2013(ts), SEC.14.

IC 6-3-4-14

Affiliated group of corporations; consolidated returns

Sec. 14. (a) An affiliated group of corporations shall have the privilege of making a consolidated return with respect to the taxes imposed by IC 6-3. The making of a consolidated return shall be upon the condition that all corporations which at any time during the taxable year have been members of the affiliated group consent to all of the provisions of this section including all provisions of the consolidated return regulations prescribed pursuant to Section 1502 of the Internal Revenue Code and incorporated herein by reference

and all regulations promulgated by the department implementing this section prior to the last day prescribed by law for the filing of such return. The making of a consolidated return shall be considered as such consent. In the case of a corporation which is a member of the affiliated group for a fractional part of the year, the consolidated return shall include the income of such corporation for such part of the year as it is a member of the affiliated group.

(b) For the purposes of this section the term "affiliated group" shall mean an "affiliated group" as defined in Section 1504 of the Internal Revenue Code with the exception that the affiliated group shall not include any corporation which does not have adjusted gross income derived from sources within the state of Indiana.

(c) For purposes of IC 6-3-1-3.5(b), the determination of "taxable income," as defined in Section 63 of the Internal Revenue Code, of any affiliated group of corporations making a consolidated return and of each corporation in the group, both during and after the period of affiliation, shall be determined pursuant to the regulations prescribed under Section 1502 of the Internal Revenue Code.

(d) Any credit against the taxes imposed by IC 6-3 which is available to any corporation which is a member of an affiliated group of corporations making a consolidated return shall be applied against the tax liability of the affiliated group.

(Formerly: Acts 1963(ss), c.32, s.414; Acts 1965, c.233, s.24.) As amended by Acts 1980, P.L.54, SEC.6.

IC 6-3-4-15

Trusts or estates; distribution of income to nonresident beneficiaries; deduction, retention, and pay over of tax due; returns required

Sec. 15. (a) A trust or estate shall, at the time that it distributes income (except income attributable to interest or dividends) to a nonresident beneficiary, deduct and retain therefrom the amount prescribed in the withholding instructions referred to in section 8 of this chapter. The trust or estate so distributing income to a nonresident beneficiary:

(1) is liable to this state for the tax which it is required to deduct and retain under this section and is not liable to the beneficiary for the amount deducted from the distribution and paid to the department in compliance, or intended compliance, with this section; and

(2) shall pay the amount deducted to the department before the thirtieth day of the month following the distribution, unless an earlier date is specified by section 8.1 of this chapter.

(b) A trust or estate shall, at the time that it makes a payment to the department under this section, deliver to the department a return which shows the total amounts distributed to the trust's or estate's nonresident beneficiaries, the amount deducted from the distributions under this section, and any other information required by the department. The trust or estate shall file the return on the form prescribed by the department. A trust or estate which makes the

deduction and retention required by this section shall furnish to its nonresident beneficiaries annually, but not later than thirty (30) days after the end of the trust's or estate's taxable year, a record of the amount of tax deducted and retained from the beneficiaries. The trust or estate shall furnish the information on the form prescribed by the department.

(c) The money deducted and retained by a trust or estate under this section is money of this state. Every trust or estate which deducts and retains any money under this section shall hold the money in trust for this state until it pays the money to the department in the manner and at the time provided in this section. The department may require a trust or estate to post a surety bond to protect this state with respect to money deducted and retained by the trust or estate under this section. The department shall determine the amount of the surety bond.

(d) The provisions of IC 6-8.1 relating to penalties or to additions to tax in case of a delinquency apply to trusts and estates which are subject to this section. For purposes of this subsection, any amount deducted, or required to be deducted and remitted to the department, under this section is considered the tax of the trust or estate, and with respect to that amount, it is considered the taxpayer.

(e) Amounts deducted from distributions to nonresident beneficiaries under this section during a taxable year of the trust or estate are considered a partial payment of the tax imposed on the nonresident beneficiary for his taxable year within or with which the trust's or estate's taxable year ends. The department shall accept a return made by the trust or estate under subsection (b) as evidence of the amount of tax deducted from the income distributed to a nonresident beneficiary.

(f) This section does not relieve a nonresident beneficiary of his duty to file a return at the time required under IC 6-3. The nonresident beneficiary shall pay any unpaid tax at the time prescribed by section 5 of this chapter.

As added by Acts 1977(ss), P.L.4, SEC.13. Amended by Acts 1979, P.L.68, SEC.6; Acts 1982, P.L.49, SEC.6; P.L.2-1982(ss), SEC.12.

IC 6-3-4-15.7

Annuity, pension, retirement, or other deferred compensation plans; withholding requests; payor responsibility; guidelines; designation of local income tax liability

Sec. 15.7. (a) The payor of a periodic or nonperiodic distribution under an annuity, a pension, a retirement, or other deferred compensation plan, as described in Section 3405 of the Internal Revenue Code, that is paid to a resident of this state shall, upon receipt from the payee of a written request for state income tax withholding, withhold the requested amount from each payment. The request must:

(1) be dated and signed by the payee;

(2) specify the flat whole dollar amount to be withheld from each payment;

(3) designate the portion of the withheld amount that represents estimated state adjusted gross income tax liability and the portion of the withheld amount that represents estimated local income tax liability under IC 6-3.5; and

(4) specify the payee's name, current address, taxpayer identification number, and the contract, policy, or account number to which the request applies.

The request shall remain in effect until the payor receives in writing from the payee a change in or revocation of the request. The department shall adopt guidelines and issue instructions as necessary to assist individuals in making the designations required by subdivision (3).

(b) The payor is not required to withhold state income tax from a payment if the amount to be withheld is less than ten dollars ($10) or if the amount to be withheld would reduce the affected payment to less than ten dollars ($10).

(c) The payor is responsible for custody of withheld funds, for reporting withheld funds to the state and to the payee, and for remitting withheld funds to the state in the same manner as is done for wage withholding, including utilization of federal forms and participation by Indiana in the combined Federal/State Filing Program on magnetic media.

As added by P.L.91-1989, SEC.1. Amended by P.L.146-2008, SEC.320.

IC 6-3-4-16

Procedures to implement crosschecks between certain forms

Sec. 16. For individual income tax returns filed after December 31, 2010, the department shall develop procedures to implement a system of crosschecks between:

(1) employer WH-3 forms (annual withholding tax reports) with accompanying W-2 forms; and

(2) individual taxpayer W-2 forms.

As added by P.L.146-2008, SEC.321.

IC 6-3-4-16.5

Electronic filing; withholding

Sec. 16.5. (a) This section applies to:

(1) Form W-2 federal income tax withholding statements;

(2) Form W-2G certain gambling winnings;

(3) Form 1099-R distributions from pensions, annuities, retirement or profit sharing plans, IRAs, insurance contracts, or like distributions;

(4) Form WH-3 annual withholding tax reports; and

(5) Form WH-18 miscellaneous withholding tax statements for nonresidents;

filed with the department after December 31, 2012.

(b) If an employer or any person or entity acting on behalf of an employer files more than twenty-five (25):

(1) Form W-2 federal income tax withholding statements;

(2) Form W-2G certain gambling winnings;

(3) Form 1099-R distributions from pensions, annuities, retirement or profit sharing plans, IRAs, insurance contracts, or like distributions; or

(4) Form WH-18 miscellaneous withholding tax statements for nonresidents;

with the department in a calendar year, all forms and Form WH-3 annual withholding tax reports filed with the department in that calendar year by the employer or the person or entity acting on behalf of the employer must be filed in an electronic format specified by the department.

As added by P.L.113-2010, SEC.57. Amended by P.L.137-2012, SEC.59.

IC 6-3-4-17

Quarterly reports concerning local income taxes

Sec. 17. Beginning after December 31, 2010, the department and the office of management and budget shall:

(1) develop a quarterly report that summarizes the amount reported to and processed by the department under section 4.1(h) of this chapter, section 15.7(a)(3) of this chapter, IC 6-3.5-1.1-18(c), IC 6-3.5-6-22(c), and IC 6-3.5-7-18(c) for each county; and

(2) make the quarterly report available to county auditors within forty-five (45) days after the end of the calendar quarter.

As added by P.L.146-2008, SEC.322. Amended by P.L.42-2011, SEC.14.

IC 6-3-5

Chapter 5. Reciprocity

IC 6-3-5-1

Nonresidents; Indiana income

Sec. 1. The tax imposed by IC 6-3-2 on the adjusted gross income derived from sources within the state of Indiana by persons who are nonresidents of this state, shall not be payable if the laws of the state or territory of residence of such persons, at the time such adjusted gross income was earned in this state, contained a reciprocal provision by which residents of this state were exempted from taxes imposed by such state on income earned in such state.

(Formerly: Acts 1963(ss), c.32, s.501.) As amended by P.L.2-1988, SEC.12.

IC 6-3-5-2

Repealed

(Repealed by P.L.28-1997, SEC.31.)

IC 6-3-5-3

Indiana residents working in Illinois

Sec. 3. The department of state revenue, with the approval of the governor and the budget agency after the review of the state budget committee, may enter into an agreement with the state of Illinois that establishes a methodology for determining individual income taxes paid by residents of each state to the other state and an obligation, in exchange for a like obligation on the part of Illinois, to make a payment to Illinois. The payment obligation by Indiana may not be greater than the difference between the amount of Indiana individual adjusted gross income taxes for the previous taxable year that would be collected from:

(1) Indiana residents working in Illinois if there were a reciprocity agreement between Indiana and Illinois; and

(2) Indiana residents working in Illinois and from Illinois residents working in Indiana without a reciprocity agreement between Indiana and Illinois. The amount needed to make the payment is appropriated from the state general fund.

As added by P.L.7-1999, SEC.1.

IC 6-3-6

Chapter 6. Penalties and Administration

IC 6-3-6-1

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-2

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-3

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-4

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-5

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-6

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-7

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-8

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-9

Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-10

Taxpayers' record keeping requirements; false entries; offenses

Sec. 10. (a) A taxpayer subject to taxation under this article shall keep and preserve records and any other books or accounts as required by IC 6-8.1-5-4. All the records shall be kept open for examination at any time by the department or its authorized agents. A taxpayer who violates this subsection or fails to comply with the request of the department pursuant to IC 6-3-4-6 commits a Class A misdemeanor.

(b) It is a Level 6 felony for a taxpayer to make false entries in the taxpayer's books, or to keep more than one (1) set of books, with

intent to defraud the state or evade the payment of the tax, or any part thereof, imposed by this article.
(Formerly: Acts 1963(ss), c.32, s.610.) As amended by Acts 1978, P.L.2, SEC.621; P.L.6-1987, SEC.8; P.L.158-2013, SEC.87.

IC 6-3-6-11
Evasion of tax; offenses; prosecution

Sec. 11. (a) It is a Level 6 felony for a taxpayer to fail to make any return required to be made under this article, or to make any false return or false statement in any return, with intent to defraud the state or to evade the payment of the tax, or any part thereof, imposed by this article. It is a Level 6 felony for a person to knowingly fail to permit the examination of any book, paper, account, record, or other data by the department or its authorized agents, as required by this article, to knowingly fail to permit the inspection or appraisal of any property by the department or its authorized agents, or to knowingly refuse to offer testimony or produce any record as required in this article.

(b) The attorney general has concurrent jurisdiction with the prosecuting attorney in instituting and prosecuting actions under this section.
(Formerly: Acts 1963(ss), c.32, s.611.) As amended by Acts 1978, P.L.2, SEC.622; P.L.158-2013, SEC.88.

IC 6-3-6-12
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-13
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-6-14
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-7
Chapter 7. Miscellaneous

IC 6-3-7-1
Repealed
(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3-7-2
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-3-7-2.5
Repealed
(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3-7-3
Collected revenue; distribution and use
Sec. 3. (a) All revenues derived from collection of the adjusted gross income tax imposed on corporations shall be deposited in the state general fund.
(b) All revenues derived from collection of the adjusted gross income tax imposed on persons shall be deposited in the state general fund.
(Formerly: Acts 1963(ss), c.32, s.704; Acts 1965, c.233, s.29; Acts 1969, c.425, s.1; Acts 1973, P.L.50, SEC.6.) As amended by Acts 1977(ss), P.L.4, SEC.18; P.L.390-1987(ss), SEC.39; P.L.192-2002(ss), SEC.83; P.L.146-2008, SEC.323.

IC 6-3-7-4
Repealed
(Repealed by Acts 1980, P.L.54, SEC.9.)

IC 6-3-7-5
Independent contractor; worker's compensation election for exemption; notification of tax treatment
Sec. 5. (a) As used in this section, "independent contractor" refers to a person described in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5).
(b) As used in this section, "person" means an individual, a proprietorship, a partnership, a joint venture, a firm, an association, a corporation, or other legal entity.
(c) An independent contractor who does not make an election under:
(1) IC 22-3-6-1(b)(4) or IC 22-3-6-1(b)(5) is not subject to the compensation provisions of IC 22-3-2 through IC 22-3-6; or
(2) IC 22-3-7-9(b)(2) or IC 22-3-7-9(b)(3) is not subject to the compensation provisions of IC 22-3-7;
and must file a statement with the department with supporting documentation of independent contractor status and obtain a certificate of exemption under this section.
(d) An independent contractor shall file with the department, in the

form prescribed by the department, a statement providing the following information:

(1) The independent contractor's name, trade name, address, and telephone number.

(2) The independent contractor's federal identification number or Social Security number.

(3) The name and:

(A) Social Security number;

(B) federal employer identification number (FEIN); or

(C) taxpayer identification number (TIN);

of each person or entity with whom the independent contractor has contracted.

(e) Along with the statement required in subsection (d), an independent contractor shall file annually with the department documentation in support of independent contractor status before being granted a certificate of exemption. The independent contractor must obtain clearance from the department of state revenue before issuance of the certificate.

(f) An independent contractor shall pay a filing fee of five dollars ($5) with the statement required in subsection (d). The fees collected under this subsection shall be deposited into a special account in the state general fund known as the independent contractor information account. Money in the independent contractor information account is annually appropriated to the department for its use in carrying out the purposes of this section.

(g) The department shall keep each statement and supporting documentation received under this section on file and on request may verify that a certificate of exemption is on file.

(h) The certificate of exemption required by this section must be on a form prescribed and provided by the department. A certificate issued under this section is valid for one (1) year. The department shall maintain the original certificate on file.

(i) A certificate of exemption must certify the following information:

(1) That the independent contractor has worker's compensation coverage for the independent contractor's employees in accordance with IC 22-3-2 through IC 22-3-7.

(2) That the independent contractor desires to be exempt from being able to recover under the worker's compensation policy or self-insurance of a person for whom the independent contractor will perform work only as an independent contractor.

(j) The department shall provide the certificate of exemption to the person requesting it not less than seven (7) business days after verifying the accuracy of the supporting documentation. To be given effect, a certificate of exemption must be filed with the worker's compensation board of Indiana in accordance with IC 22-3-2-14.5(f) and IC 22-3-7-34.5(g).

(k) Not more than thirty (30) days after the department receives an independent contractor's statement and supporting documentation and issues a certificate of exemption, the department shall provide the

independent contractor with an explanation of the department's tax treatment of independent contractors and the duty of the independent contractor to remit any taxes owed.

(l) The information received from an independent contractor's statement and supporting documentation is to be treated as confidential by the department and is to be used solely for the purposes of this section.

(m) A contractor who knowingly or intentionally causes or assists employees, including temporary employees, to file a false statement and supporting documentation of independent contractor status commits a Level 6 felony.

As added by P.L.75-1993, SEC.1. Amended by P.L.202-2001, SEC.1; P.L.158-2013, SEC.89.

IC 6-3-8
Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3-8.1

Chapter 8.1. Supplemental Net Income Tax Filings

IC 6-3-8.1-1

Application of chapter

Sec. 1. This chapter applies to a taxpayer that:

(1) was subject to the supplemental net income tax under IC 6-3-8 (before its repeal) before January 1, 2003; and

(2) has a taxable year that begins before January 1, 2003, and ends after December 31, 2002.

As added by P.L.220-2011, SEC.140.

IC 6-3-8.1-2

Provisions applying to imposition and collection of supplemental net income tax; filing of estimated tax return and final tax return

Sec. 2. Notwithstanding the repeal of IC 6-3-8-5 by P.L.192-2002(ss), the provisions of IC 6-3-8-5 (repealed) apply to the imposition, collection, payment, and administration of the supplemental net income tax imposed under this chapter, including the requirement related to filing the taxpayer's estimated supplemental net income tax return and paying the taxpayer's estimated supplemental net income tax liability to the department of state revenue. The taxpayer shall file a final supplemental net income tax return, in the manner prescribed by the department of state revenue, before the fifteenth day of the fourth month following the close of the taxpayer's regular taxable year, determined as if IC 6-3-8 had not been repealed by P.L.192-2002(ss).

As added by P.L.220-2011, SEC.140. Amended by P.L.6-2012, SEC.51.

IC 6-3-8.1-3

Determination of supplemental net income tax; forms and procedures

Sec. 3. (a) The supplemental net income tax imposed under IC 6-3-8 (repealed) for that taxable year is equal to the result determined under STEP TWO of the following formula:

STEP ONE: Determine the product of the taxpayer's net income for the taxpayer's regular taxable year multiplied by a tax rate equal to four and five-tenths percent (4.5%).

STEP TWO: Multiply the STEP ONE result by a fraction, the numerator of which is the number of days in the taxpayer's taxable year that occurred before January 1, 2003, and the denominator of which is the total number of days in the taxable year.

(b) The department of state revenue may prescribe forms and procedures for reconciling:

(1) the returns and tax due under P.L.192-2002(ss), SECTION 197, before the enactment of P.L.269-2003, SECTION 13; and

(2) the returns and tax due under P.L.192-2002(ss), SECTION 197, as amended by P.L.269-2003, SECTION 13.

The procedures may include procedures for granting an automatic extension for the filing of some or all returns that were due before April 16, 2003, under P.L.192-2002(ss), SECTION 197, before the enactment of P.L.269-2003, SECTION 13.

As added by P.L.220-2011, SEC.140. Amended by P.L.6-2012, SEC.52.

IC 6-3.1

ARTICLE 3.1. STATE TAX LIABILITY CREDITS

IC 6-3.1-1

Chapter 1. Definitions; Priority of Credits

IC 6-3.1-1-1

Definitions; application

Sec. 1. Except as otherwise provided in this article, the definitions contained in IC 6-3-1 apply throughout this article.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-1-2

Order of application

Sec. 2. (a) The tax credits a taxpayer is entitled to shall be applied against the taxpayer's tax liabilities in the following order:

(1) First, credits which may not be refunded to a taxpayer nor carried over and applied against any tax liability for any succeeding taxable year.

(2) Second, credits which may not be refunded to a taxpayer, but which may be carried over and applied against any tax liability for any succeeding taxable year.

(3) Third, credits which will be refunded to a taxpayer to the extent the credit exceeds the tax liability it is to be applied against.

(b) Credits described in subsection (a)(2) shall be applied against a taxpayer's tax liabilities so that the credits which may be applied to the fewest succeeding taxable years are utilized first.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-1-3

Limitation on number of credits granted; election by taxpayer

Sec. 3. A taxpayer (as defined in the following laws), pass through entity (as defined in the following laws), or shareholder, partner, or member of a pass through entity may not be granted more than one (1) tax credit under the following laws for the same project:

(1) IC 6-3.1-10 (enterprise zone investment cost credit).

(2) IC 6-3.1-11 (industrial recovery tax credit).

(3) IC 6-3.1-19 (community revitalization enhancement district tax credit).

(4) IC 6-3.1-24 (venture capital investment tax credit).

(5) IC 6-3.1-26 (Hoosier business investment tax credit).

(6) IC 6-3.1-31.9 (Hoosier alternative fuel vehicle manufacturer tax credit).

If a taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity has been granted more than one (1) tax credit for the same project, the taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity must elect to apply only one (1) of the tax credits in the manner and form prescribed by the department.

As added by P.L.199-2005, SEC.17. Amended by P.L.223-2007, SEC.3; P.L.133-2012, SEC.52; P.L.288-2013, SEC.33.

IC 6-3.1-1-4
Effect of repeal of tax credit statute on carrying over unused tax credits

Sec. 4. Except as otherwise expressly provided, a taxpayer may carry forward any unused tax credit from a prior taxable year to a taxable year that begins after the repeal of the statute that provided the tax credit. However, any limits on:

(1) the amount carried forward; or

(2) the number of years to which an unused tax credit may be carried forward;

apply to any part of a tax credit carried forward under this section as if the statute allowing the unused tax credit to be carried forward had not been repealed.

As added by P.L.190-2014, SEC.14.

IC 6-3.1-1-5
Riverboat building tax credit allowed despite repeal of tax credit statute if qualified investments certified before January 1, 2015

Sec. 5. (a) As used in this section, "qualified taxpayer" means a taxpayer whose proposed costs to build or refurbish a riverboat are certified before January 1, 2015, as qualified investments under IC 6-3.1-17 (before its repeal) by the Indiana economic development corporation.

(b) A qualified taxpayer may claim a tax credit for the taxable year in which the qualified investment described in subsection (a) is made regardless of whether the qualified investment is made in a taxable year beginning after December 31, 2014, as if IC 6-3.1-17 had not been repealed.

(c) To receive the credit allowed under this section, a qualified taxpayer must claim the credit on the qualified taxpayer's state tax return or returns in the manner prescribed by the department. The qualified taxpayer shall submit to the department the certification of credit by the Indiana economic development corporation, proof of payment of the certified qualified investment, and all information that the department determines is necessary for the calculation of the credit provided under IC 6-3.1-17 (before its repeal) and for the determination of whether an investment cost is a qualified investment cost.

(d) The amount of tax credits allowed under this section may not exceed one million dollars ($1,000,000) in a state fiscal year.

(e) The department shall record the time of filing of each application for allowance of a credit under subsection (c) and shall approve the applications, if they otherwise qualify for a tax credit under IC 6-3.1-17 (before its repeal), in the chronological order in which the applications are filed in the state fiscal year.

(f) When the total credits approved under this section equal the maximum amount allowable in a state fiscal year, no application

thereafter filed for that same fiscal year shall be approved. However, if an applicant for whom a credit has been approved fails to file the statement of proof of payment required under subsection (c), an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

As added by P.L.190-2014, SEC.15.

IC 6-3.1-2

Chapter 2. Teacher Summer Employment Credits

IC 6-3.1-2-1

Definitions

Sec. 1. As used in this chapter, the following terms have the following meanings:

(1) "Eligible teacher" means a teacher:

(A) certified in a shortage area by the department of education established by IC 20-19-3-1; and

(B) employed under contract during the regular school term by a school corporation in a shortage area.

(2) "Qualified position" means a position that:

(A) is relevant to the teacher's education in a shortage area; and

(B) has been approved by the Indiana state board of education under section 6 of this chapter.

(3) "Regular school term" means the period, other than the school summer recess, during which a teacher is required to perform duties assigned to the teacher under a teaching contract.

(4) "School corporation" means any corporation authorized by law to establish public schools and levy taxes for their maintenance.

(5) "Shortage area" means the subject areas of mathematics and science and any other subject area designated as a shortage area by the Indiana state board of education.

(6) "State income tax liability" means a taxpayer's total income tax liability incurred under IC 6-3 and IC 6-5.5, as computed after application of credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.51-1984, SEC.1. Amended by P.L.20-1984, SEC.5; P.L.46-1992, SEC.1; P.L.192-2002(ss), SEC.84; P.L.1-2005, SEC.94; P.L.246-2005, SEC.72.

IC 6-3.1-2-2

Credit for employment of eligible teacher

Sec. 2. Subject to the limitation established in sections 4 and 5 of this chapter, a taxpayer that employs an eligible teacher in a qualified position during a school summer recess is entitled to a tax credit against his state income tax liability as provided for under section 3 of this chapter.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-2-3

Amount of credit

Sec. 3. A taxpayer is entitled to a credit for a taxable year for each eligible teacher employed under section 2 of this chapter in an amount equal to the lesser of:

(1) two thousand five hundred dollars ($2,500); or

(2) fifty percent (50%) of the amount of compensation paid to

the eligible teacher by the taxpayer during the taxable year. However, the aggregate credits that a taxpayer may receive for a particular taxable year under this chapter may not exceed the taxpayer's state income tax liability for that taxable year.
As added by P.L.51-1984, SEC.1.

IC 6-3.1-2-4
Disallowance of credit; employer's duty

Sec. 4. (a) The department shall disallow a credit provided under this chapter with respect to employment of an eligible teacher during a school summer recess if the teacher discontinues his teaching duties for the purpose of becoming employed by the taxpayer during the regular school term that immediately follows the recess. The taxpayer shall, within thirty (30) days after the eligible teacher had discontinued his teaching duties, notify the department of that fact and pay to the department the amount of the credit previously allowed.

(b) A taxpayer that fails to notify and pay the department as prescribed in subsection (a) is liable for interest and a penalty on the amount of the credit in the amounts established in IC 6-8.1-10-1 and IC 6-8.1-10-2.1.
As added by P.L.51-1984, SEC.1. Amended by P.L.1-1991, SEC.53.

IC 6-3.1-2-5
Application of credit against taxes owed; order

Sec. 5. (a) A credit to which a taxpayer is entitled under this chapter shall be applied against the taxpayer's adjusted gross income tax liability for the taxable year.

(b) A taxpayer that is subject to the financial institutions tax may apply the credit provided by this chapter against the taxpayer's financial institutions tax liability for the taxable year.
As added by P.L.51-1984, SEC.1. Amended by P.L.347-1989(ss), SEC.10; P.L.192-2002(ss), SEC.85.

IC 6-3.1-2-6
Qualified position certificate; applications; determination of qualified position; issuance; maximum amount of credit; aggregate amount of credits

Sec. 6. (a) A taxpayer who seeks to obtain the credit provided by this chapter must file an application for a qualified position certificate for that year with the state board of education. The board shall prescribe the form and contents of the application.

(b) Upon receipt of an application filed under subsection (a), the state board of education shall determine whether the position in question is a qualified position. The board shall also determine the amount of compensation that the taxpayer intends to pay to the eligible teacher in the qualified position during the school summer recess, or the parts of the school summer recesses that fall within the taxable year with respect to which the taxpayer is applying for a certificate. If the board approves the application, it shall issue a

qualified position certificate to the taxpayer for the taxable year. The certificate shall indicate the maximum amount of credit to which the taxpayer is entitled for the taxable year under this chapter with respect to the eligible teacher. That amount is the lesser of:

(1) two thousand five hundred dollars ($2,500); or

(2) fifty percent (50%) of the amount of compensation that the taxpayer intends to pay to the eligible teacher in the qualified position during the school summer recess, or the parts of the school summer recesses that fall within the taxable year.

The taxpayer shall attach the certificate to the income tax return that is filed for the taxable year for which the credit is claimed.

(c) The state board of education shall record the time of filing of each application for a qualified position certificate, and shall approve the applications, if they otherwise qualify, in the chronological order in which they are filed. However, the board may not approve any application in a state fiscal year if the aggregate amount of allowable credits indicated on qualified position certificates issued in the fiscal year exceeds five hundred thousand dollars ($500,000).

As added by P.L.51-1984, SEC.1. Amended by P.L.20-1984, SEC.6.

IC 6-3.1-2-7

Rules; qualified positions

Sec. 7. Notwithstanding IC 6-8.1-3-3, the state board of education shall adopt rules under IC 4-22-2 for determining which positions are qualified positions.

As added by P.L.51-1984, SEC.1. Amended by P.L.20-1984, SEC.7.

IC 6-3.1-2-8

No tax credits awarded after 2011; expiration of chapter

Sec. 8. (a) A tax credit may not be awarded under this chapter after December 31, 2011.

(b) This chapter expires January 1, 2020.

As added by P.L.172-2011, SEC.61.

IC 6-3.1-3
Repealed

(Repealed by P.L.28-1997, SEC.31.)

IC 6-3.1-4

Chapter 4. Research Expense Credits

IC 6-3.1-4-1

Definitions

Sec. 1. As used in this chapter:

"Base amount" means base amount (as defined in Section 41(c) of the Internal Revenue Code as in effect on January 1, 2001), modified by considering only Indiana qualified research expenses and gross receipts attributable to Indiana in the calculation of the taxpayer's:

(1) fixed base percentage; and

(2) average annual gross receipts.

"Indiana qualified research expense" means qualified research expense that is incurred for research conducted in Indiana.

"Qualified research expense" means qualified research expense (as defined in Section 41(b) of the Internal Revenue Code as in effect on January 1, 2001).

"Pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

"Research expense tax credit" means a credit provided under this chapter against any tax otherwise due and payable under IC 6-3.

"Taxpayer" means an individual, a corporation, a limited liability company, a limited liability partnership, a trust, or a partnership that has any tax liability under IC 6-3 (adjusted gross income tax).

As added by P.L.51-1984, SEC.1. Amended by P.L.57-1990, SEC.1; P.L.8-1993, SEC.85; P.L.8-1996, SEC.7; P.L.192-2002(ss), SEC.86; P.L.193-2005, SEC.12.

IC 6-3.1-4-2

Amount of credit; computation

Sec. 2. (a) A taxpayer who incurs Indiana qualified research expense in a particular taxable year is entitled to a research expense tax credit for the taxable year.

(b) For Indiana qualified research expense incurred before January 1, 2008, the amount of the research expense tax credit is equal to the product of ten percent (10%) multiplied by the remainder of:

(1) the taxpayer's Indiana qualified research expenses for the taxable year; minus

(2) the taxpayer's base amount.

(c) Except as provided in subsection (d), for Indiana qualified research expense incurred after December 31, 2007, the amount of the research expense tax credit is determined under STEP FOUR of the following formula:

STEP ONE: Subtract the taxpayer's base amount from the taxpayer's Indiana qualified research expense for the taxable year.

STEP TWO: Multiply the lesser of:

(A) one million dollars ($1,000,000); or

(B) the STEP ONE remainder;

by fifteen percent (15%).

STEP THREE: If the STEP ONE remainder exceeds one million dollars ($1,000,000), multiply the amount of that excess by ten percent (10%).

STEP FOUR: Add the STEP TWO and STEP THREE products.

(d) For Indiana qualified research expense incurred after December 31, 2009, a taxpayer may choose to have the amount of the research expense tax credit determined under this subsection rather than under subsection (c). At the election of the taxpayer, the amount of the taxpayer's research expense tax credit is equal to ten percent (10%) of the part of the taxpayer's Indiana qualified research expense for the taxable year that exceeds fifty percent (50%) of the taxpayer's average Indiana qualified research expense for the three (3) taxable years preceding the taxable year for which the credit is being determined. However, if the taxpayer did not have Indiana qualified research expense in any one (1) of the three (3) taxable years preceding the taxable year for which the credit is being determined, the amount of the research expense tax credit is equal to five percent (5%) of the taxpayer's Indiana qualified research expense for the taxable year.

As added by P.L.51-1984, SEC.1. Amended by P.L.53-1984, SEC.1; P.L.57-1990, SEC.2; P.L.192-2002(ss), SEC.87; P.L.193-2005, SEC.13; P.L.182-2009(ss), SEC.201.

IC 6-3.1-4-2.5

Amount of credit; alternative computation

Sec 2.5. (a) The general assembly makes the following findings pertaining to this section:

(1) The aerospace industry is adversely affected by the calculation of qualified research expense credits under this chapter, based on the Internal Revenue Code's treatment of federal defense spending trends in the 1980s.

(2) This adverse impact creates a disincentive for making qualified research expenditures in Indiana.

(3) Manufacturers of aerospace and jet propulsion equipment have been a major in-state employer of science and engineering graduates from Indiana universities.

(4) The presence of a strong aerospace manufacturing base furthers the state's interest in maintaining the viability of a United States government military installation that is used for the design, construction, maintenance, and testing of electronic devices and ordnance.

(5) The creation of an alternative qualified research expense credit promotes vital state interests.

(b) This section applies only to a taxpayer that:

(1) is primarily engaged in the production of civil and military jet propulsion systems;

(2) is certified by the Indiana economic development corporation as an aerospace advanced manufacturer;
(3) is a United States Department of Defense contractor; and
(4) maintains one (1) or more manufacturing facilities in Indiana employing at least three thousand (3,000) employees in full-time employment positions that pay on average more than four hundred percent (400%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

(c) A taxpayer that incurs Indiana qualified research expense in a particular taxable year may elect to calculate the research expense tax credit under this section instead of under section 2 of this chapter.

(d) An election under this section applies to the taxable year for which the election is made and all succeeding taxable years unless the election is revoked with the consent of the department. An election must be made in the manner and on the form prescribed by the department.

(e) A credit may be authorized by the Indiana economic development corporation and, if authorized, shall be equal to a percentage determined by the Indiana economic development corporation, not to exceed ten percent (10%), multiplied by:
(1) the taxpayer's Indiana qualified research expenses for the taxable year; minus
(2) fifty percent (50%) of the taxpayer's average Indiana qualified research expenses for the three (3) taxable years preceding the taxable year for which the credit is being determined.

(f) The credit amount determined in subsection (e) applies to the taxable year for which the determination is made and all succeeding taxable years unless the determination is changed by the Indiana economic development corporation. The duration of a determination made by the Indiana economic development corporation under subsection (e) shall be specified by the Indiana economic development corporation at the time of the determination.
As added by P.L.197-2005, SEC.1.

IC 6-3.1-4-3
Unused credits carried forward

Sec. 3. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the sum of the taxes imposed by IC 6-3 for the taxable year after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter. If the credit provided by this chapter exceeds that sum for the taxable year for which the credit is first claimed, then the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount which was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable

years for ten (10) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

As added by P.L.51-1984, SEC.1. Amended by P.L.57-1990, SEC.3; P.L.192-2002(ss), SEC.88; P.L.193-2005, SEC.14.

IC 6-3.1-4-4

Application of Internal Revenue Code provisions

Sec. 4. The provisions of Section 41 of the Internal Revenue Code as in effect on January 1, 2001, and the regulations promulgated in respect to those provisions and in effect on January 1, 2001, are applicable to the interpretation and administration by the department of the credit provided by this chapter, including the allocation and pass through of the credit to various taxpayers and the transitional rules for determination of the base period.

As added by P.L.51-1984, SEC.1. Amended by P.L.57-1990, SEC.4; P.L.192-2002(ss), SEC.89.

IC 6-3.1-4-5

Qualified research expenses; determination

Sec. 5. In prescribing standards for determining which qualified research expenses are considered Indiana qualified research expenses for purposes of computing the credit provided by this chapter, the department may consider:

(1) the place where the services are performed;

(2) the residence or business location of the person or persons performing the services;

(3) the place where qualified research supplies are consumed; and

(4) other factors that the department determines are relevant for the determination.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-4-6

Federal credit expiration date inapplicable

Sec. 6. Notwithstanding Section 41 of the Internal Revenue Code, the termination date in Section 41(h) of the Internal Revenue Code does not apply to a taxpayer who is eligible for the credit under this chapter for the taxable year in which the Indiana qualified research expense is incurred.

As added by P.L.51-1984, SEC.1. Amended by P.L.53-1984, SEC.2; P.L.57-1990, SEC.5; P.L.43-1992, SEC.10; P.L.76-1993, SEC.1; P.L.19-1994, SEC.9; P.L.8-1996, SEC.8; P.L.4-2000, SEC.13; P.L.192-2002(ss), SEC.90; P.L.224-2003, SEC.191; P.L.81-2004, SEC.12.

IC 6-3.1-4-7

Pass through entity; shareholder, partner, or member

Sec. 7. (a) If a pass through entity does not have state income tax liability against which the research expense tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a research expense tax credit equal to:

(1) the research expense tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a research expense tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim a credit under this chapter for the same qualified research expenses.

As added by P.L.57-1990, SEC.6. Amended by P.L.193-2005, SEC.15.

IC 6-3.1-5
Repealed

(Repealed by P.L.254-2003, SEC.14.)

IC 6-3.1-6 Version a

Chapter 6. Prison Investment Credits

Note: This version of chapter effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

IC 6-3.1-6-1 Version a

Definitions

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 1. For the purposes of this chapter:

"Agreement" means any agreement entered into with the commissioner of the department of correction under IC 11-10-7-2.

"Pass through entity" means a:

(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) partnership;
(3) trust;
(4) limited liability company; or
(5) limited liability partnership.

"Qualified property" means any machinery, tools, equipment, building, structure, or other tangible property considered qualified property under Section 38 of the Internal Revenue Code that is used as an integral part of the operation contemplated by an agreement and that is installed, used, or operated exclusively on property managed by the department of correction.

"State income tax liability" means a taxpayer's total income tax liability incurred under IC 6-3, as computed after application of credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

"Taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has state tax liability. The term includes a pass through entity.

"Wages paid" includes all earnings surrendered to the department of correction under IC 11-10-7-5.

As added by P.L.51-1984, SEC.1. Amended by P.L.129-2001, SEC.5; P.L.192-2002(ss), SEC.96; P.L.246-2005, SEC.73.

IC 6-3.1-6-2 Version a

Income tax credit; amount; creditable year

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 2. (a) A taxpayer who enters into an agreement is entitled to receive an income tax credit for a taxable year equal to:

(1) the taxpayer's state income tax liability for the taxable year;
(2) an amount equal to the sum of:
    (A) fifty percent (50%) of any investment in qualified property made by the taxpayer during the taxable year as part of the agreement; plus
    (B) twenty-five percent (25%) of the wages paid to inmates during the taxable year as part of the agreement; or

(3) one hundred thousand dollars ($100,000);
whichever is least.

(b) A tax credit shall be allowed under this chapter only for the taxable year of the taxpayer during which:

(1) the investment in qualified property is made in accordance with Section 38 of the Internal Revenue Code; or

(2) the wages are paid to inmates;

as part of an agreement.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-6-3
Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-6-4 Version a
Recapture tax; amount; reports; tax liability; change in use of property

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 4. (a) A taxpayer is liable for a recapture tax if qualified property is converted to any use, other than the use contemplated in the agreement, within three (3) years after the end of the taxable year in which a tax credit was allowed for investment in that qualified property. The recapture tax equals:

(1) seventy-five percent (75%) of the tax credit if the use is converted not later than one (1) year after the end of the taxable year in which the tax credit was allowed;

(2) fifty percent (50%) of the tax credit if the use is converted after one (1) year and not later than two (2) years after the end of the taxable year in which the tax credit was allowed; or

(3) twenty-five percent (25%) of the tax credit if the use is converted after two (2) years and not later than three (3) years after the end of the taxable year in which the tax credit was allowed.

(b) Any recapture tax liability must be reported by the taxpayer on his annual state income tax return for the taxable year during which the use was converted.

(c) The commissioner of the department of correction shall report any change in the use of qualified property to the department.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-6-5 Version a
Effect of agreements; considerations; verification of information related to credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 5. (a) Before entering into an agreement, the commissioner of the department of correction shall thoroughly consider the effect of the agreement upon the workforce in the community where the correctional institution is located and shall not enter into any

agreement if it will cause increased unemployment in the community. The taxpayer shall have the burden of proving by a preponderance of the evidence that the agreement shall not increase unemployment in the community where the correctional institution is located.

(b) The commissioner shall verify any information related to the credit provided by this chapter when requested to do so by the department of state revenue.

As added by P.L.51-1984, SEC.1. Amended by P.L.21-1995, SEC.11.

IC 6-3.1-6-6 Version a

Pass through entity credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 6. If a pass through entity is entitled to a credit under this chapter but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this section is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

As added by P.L.129-2001, SEC.6.

IC 6-3.1-6 Version b

Chapter 6. Repealed

(Repealed by P.L.190-2014, SEC.16.)

Note: This repeal of chapter effective 1-1-2015. See also preceding version of this chapter, effective until 1-1-2015.

IC 6-3.1-7

Chapter 7. Enterprise Zone Loan Interest Credit

IC 6-3.1-7-1

Definitions

Sec. 1. As used in this chapter:

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Pass through entity" means a:

(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) partnership;
(3) trust;
(4) limited liability company; or
(5) limited liability partnership.

"Qualified loan" means a loan made to an entity that uses the loan proceeds for:

(1) a purpose that is directly related to a business located in an enterprise zone;
(2) an improvement that increases the assessed value of real property located in an enterprise zone; or
(3) rehabilitation, repair, or improvement of a residence.

"State tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 27-1-18-2 (the insurance premiums tax); and
(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

"Taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has any state tax liability. The term includes a pass through entity.

As added by P.L.51-1984, SEC.1. Amended by P.L.9-1986, SEC.7; P.L.80-1989, SEC.8; P.L.347-1989(ss), SEC.15; P.L.8-1993, SEC.87; P.L.120-1999, SEC.4; P.L.192-2002(ss), SEC.97; P.L.4-2005, SEC.51.

IC 6-3.1-7-2

Eligible taxpayers; amount of credit; pass through entities

Sec. 2. (a) A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer:

(1) receives interest on a qualified loan in that taxable year;
(2) pays the registration fee charged to zone businesses under IC 5-28-15-5;
(3) provides the assistance to urban enterprise associations required from zone businesses under IC 5-28-15-5(b); and
(4) complies with any requirements adopted by the board of the Indiana economic development corporation under IC 5-28-15 for taxpayers claiming the credit under this chapter.

However, if a taxpayer is located outside of an enterprise zone, subdivision (4) does not require the taxpayer to reinvest its incentives under this section within the enterprise zone, except as provided in subdivisions (2) and (3).

(b) The amount of the credit to which a taxpayer is entitled under this section is five percent (5%) multiplied by the amount of interest received by the taxpayer during the taxable year from qualified loans.

(c) If a pass through entity is entitled to a credit under subsection (a) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified expenditure.

As added by P.L.51-1984, SEC.1. Amended by P.L.120-1999, SEC.5; P.L.73-2000, SEC.2; P.L.4-2005, SEC.52.

IC 6-3.1-7-3

Credit carryover

Sec. 3. (a) If the amount determined under section 2(b) of this chapter for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. Except as provided in subsection (b), the credit carryover may not be used for any taxable year that begins more than ten (10) years after the date on which the qualified loan from which the credit results is made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) Notwithstanding subsection (a), if a loan is a qualified loan as the result of the use of the loan proceeds in a particular enterprise zone, and if the phase-out period of that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use credit carryover that results from that loan under subsection (a), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the phase-out period of the enterprise zone terminates.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-7-4

Credit; allocation to state tax liability

Sec. 4. (a) A credit to which a taxpayer is entitled under this chapter shall be applied against taxes owed by the taxpayer in the following order:

(1) First, against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.

(2) Second, against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) for the taxable year.

(3) Third, against the taxpayer's financial institutions tax liability (IC 6-5.5) for the taxable year.

(b) If the tax paid by the taxpayer under a tax provision listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this chapter.

As added by P.L.51-1984, SEC.1. Amended by P.L.80-1989, SEC.9; P.L.192-2002(ss), SEC.98.

IC 6-3.1-7-5

Claiming of credit on annual state tax return

Sec. 5. To receive the credit provided by this chapter, a taxpayer must claim the credit on his annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether a loan is a qualified loan.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-7-6

Disallowance of credit

Sec. 6. (a) If the department determines that the proceeds from a loan are used for a purpose other than the purpose stated at the time a credit was claimed under this chapter for interest on that loan, and if that stated purpose caused the department to designate the loan as a qualified loan, then the department shall disallow the credit allowed under this chapter for interest on that loan.

(b) A taxpayer shall pay to the department the amount of any credit disallowed under this section.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-7-7

Tax credit report

Sec. 7. The department shall annually compile and report to the Indiana economic development corporation the following information:

(1) The number of tax credits claimed under this chapter for returns processed during the preceding state fiscal year.

(2) The total amount of the claims for tax credits described in subdivision (1).

(3) For each enterprise zone, the number and amount of the

claims for tax credits described in subdivision (1) that are attributable to loans made to businesses located in the enterprise zone.

As added by P.L.214-2005, SEC.17.

IC 6-3.1-8
Repealed

(Repealed by P.L.1-1993, SEC.39.)

IC 6-3.1-9

Chapter 9. Neighborhood Assistance Credits

IC 6-3.1-9-1

Definitions

Sec. 1. (a) As used in this chapter, "authority" means the Indiana housing and community development authority established by IC 5-20-1-3.

(b) As used in this chapter, "business firm" means any business entity authorized to do business in the state of Indiana that has state tax liability.

(c) As used in this chapter, "community services" means any type of:

(1) counseling and advice;
(2) emergency assistance;
(3) medical care;
(4) recreational facilities;
(5) housing facilities; or
(6) economic development assistance;

provided to individuals, economically disadvantaged households, groups, or neighborhood organizations in an economically disadvantaged area or provided to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.

(d) As used in this chapter, "crime prevention" means any activity which aids in the reduction of crime in an economically disadvantaged area or an economically disadvantaged household.

(e) As used in this chapter, "economically disadvantaged area" means an enterprise zone, or any other federally or locally designated economically disadvantaged area in Indiana. The certification shall be made on the basis of current indices of social and economic conditions, which shall include but not be limited to the median per capita income of the area in relation to the median per capita income of the state or standard metropolitan statistical area in which the area is located.

(f) As used in this chapter, "economically disadvantaged household" means a household with an annual income that is at or below eighty percent (80%) of the area median income or any other federally designated target population.

(g) As used in this chapter, "education" means any type of scholastic instruction or scholarship assistance to an individual who:

(1) resides in an economically disadvantaged area; or
(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to prepare for better life opportunities.

(h) As used in this chapter, "enterprise zone" means an enterprise zone created under IC 5-28-15.

(i) As used in this chapter, "job training" means any type of instruction to an individual who:

(1) resides in:

(A) an economically disadvantaged area; or

(B) an economically disadvantaged household; or

(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to acquire vocational skills so that the individual can become employable or be able to seek a higher grade of employment.

(j) As used in this chapter, "neighborhood assistance" means either:

(1) furnishing financial assistance, labor, material, and technical advice to aid in the physical or economic improvement of any part or all of an economically disadvantaged area; or

(2) furnishing technical advice to promote higher employment in any neighborhood in Indiana.

(k) As used in this chapter, "neighborhood organization" means any organization, including but not limited to a nonprofit development corporation doing both of the following:

(1) Performing community services:

(A) in an economically disadvantaged area;

(B) for an economically disadvantaged household; or

(C) for individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.

(2) Holding a ruling:

(A) from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under the provisions of the Internal Revenue Code; and

(B) from the department of state revenue that the organization is exempt from income taxation under IC 6-2.5-5-21.

(l) As used in this chapter, "person" means any individual subject to Indiana gross or adjusted gross income tax.

(m) As used in this chapter, "state fiscal year" means a twelve (12) month period beginning on July 1 and ending on June 30.

(n) As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and

(2) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

(o) As used in this chapter, "tax credit" means a deduction from any tax otherwise due and payable under IC 6-3 or IC 6-5.5.

As added by P.L.51-1984, SEC.1. Amended by P.L.21-1990, SEC.12; P.L.25-1993, SEC.10; P.L.192-2002(ss), SEC.99; P.L.4-2005, SEC.53; P.L.235-2005, SEC.95; P.L.1-2006, SEC.140; P.L.181-2006, SEC.44; P.L.1-2007, SEC.54; P.L.166-2014, SEC.11.

IC 6-3.1-9-2
Eligible persons; proposals; approval

Sec. 2. (a) A business firm or a person who contributes to a neighborhood organization that engages in the activities of providing:

(1) neighborhood assistance, job training, or education for individuals not employed by the business firm or person;

(2) community services or crime prevention in an economically disadvantaged area; or

(3) community services, education, or job training services to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole;

shall receive a tax credit as provided in section 3 of this chapter if the authority approves the proposal of the business firm or person, setting forth the program to be conducted, the area selected, the estimated amount to be invested in the program, and the plans for implementing the program.

(b) The authority, after consultation with the community services agency and the commissioner of revenue, may adopt rules for the approval or disapproval of these proposals.

As added by P.L.51-1984, SEC.1. Amended by P.L.4-2005, SEC.54; P.L.235-2005, SEC.96; P.L.1-2006, SEC.141; P.L.181-2006, SEC.45; P.L.1-2007, SEC.55; P.L.166-2014, SEC.12.

IC 6-3.1-9-3
Amount of credit; application; pass through entities; shareholders or partners of firms without tax liability

Sec. 3. (a) Subject to the limitations provided in subsection (b) and sections 4, 5, and 6 of this chapter, the department shall grant a tax credit against any state tax liability due equal to fifty percent (50%) of the amount invested by a business firm or person in a program the proposal for which was approved under section 2 of this chapter.

(b) The credit provided by this chapter shall only be applied against any state tax liability owed by the taxpayer after the application of any credits, which under IC 6-3.1-1-2 must be applied before the credit provided by this chapter. In addition, the tax credit which a taxpayer receives under this chapter may not exceed twenty-five thousand dollars ($25,000) for any taxable year of the taxpayer.

(c) If a business firm that is:

(1) exempt from adjusted gross income tax (IC 6-3-1 through IC 6-3-7) under IC 6-3-2-2.8(2); or

(2) a partnership;

does not have any tax liability against which the credit provided by this section may be applied, a shareholder or a partner of the business firm is entitled to a credit against the shareholder's or the partner's liability under the adjusted gross income tax.

(d) The amount of the credit provided by this section is equal to:

(1) the tax credit determined for the business firm for the taxable year under subsection (a); multiplied by

(2) the percentage of the business firm's distributive income to which the shareholder or the partner is entitled.

The credit provided by this section is in addition to any credit to which a shareholder or partner is otherwise entitled under this chapter. However, a business firm and a shareholder or partner of that business firm may not claim a credit under this chapter for the same investment.

As added by P.L.51-1984, SEC.1. Amended by P.L.25-1993, SEC.11; P.L.1-1994, SEC.29; P.L.192-2002(ss), SEC.100.

IC 6-3.1-9-4

Application for credit; form; contents; priority; notification of credit allowable; filing of statement; disallowance

Sec. 4. (a) Any business firm or person which desires to claim a tax credit as provided in this chapter shall file with the department, in the form that the department may prescribe, an application stating the amount of the contribution or investment which it proposes to make which would qualify for a tax credit, and the amount sought to be claimed as a credit. The application shall include a certificate evidencing approval of the contribution or program by the authority.

(b) The authority shall give priority in issuing certificates to applicants whose contributions or programs directly benefit enterprise zones.

(c) The department shall promptly notify an applicant whether, or the extent to which, the tax credit is allowable in the state fiscal year in which the application is filed, as provided in section 5 of this chapter. If the credit is allowable in that state fiscal year, the applicant shall within thirty (30) days after receipt of the notice file with the department of state revenue a statement, in the form and accompanied by the proof of payment as the department may prescribe, setting forth that the amount to be claimed as a credit under this chapter has been paid to an organization for an approved program or purpose, or permanently set aside in a special account to be used solely for an approved program or purpose.

(d) The department may disallow any credit claimed under this chapter for which the statement or proof of payment is not filed within the thirty (30) day period.

As added by P.L.51-1984, SEC.1. Amended by P.L.4-2005, SEC.55; P.L.235-2005, SEC.97; P.L.1-2006, SEC.142; P.L.181-2006, SEC.46; P.L.1-2007, SEC.56.

IC 6-3.1-9-5

Limitation on tax credits; approval of applications; failure to file statement of proof of payment

Sec. 5. (a) The amount of tax credits allowed under this chapter may not exceed two million five hundred thousand dollars ($2,500,000) in the state fiscal year beginning July 1, 1997, and ending June 30, 1998, and each state fiscal year thereafter.

(b) The department shall record the time of filing of each application for allowance of a credit required under section 4 of this

chapter and shall approve the applications, if they otherwise qualify for a tax credit under this chapter, in the chronological order in which the applications are filed in the state fiscal year.

(c) When the total credits approved under this section equal the maximum amount allowable in any state fiscal year, no application thereafter filed for that same fiscal year shall be approved. However, if any applicant for whom a credit has been approved fails to file the statement of proof of payment required under section 4 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

As added by P.L.51-1984, SEC.1. Amended by P.L.95-1995, SEC.1; P.L.64-1997, SEC.1.

IC 6-3.1-9-6

Allowable years of credit

Sec. 6. A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid or permanently set aside in a special account for the approved program or purpose.

As added by P.L.51-1984, SEC.1.

IC 6-3.1-10

Chapter 10. Enterprise Zone Investment Cost Credit

IC 6-3.1-10-1

"Enterprise zone" defined

Sec. 1. As used in this chapter, "enterprise zone" means an enterprise zone created under IC 5-28-15.

As added by P.L.9-1986, SEC.8. Amended by P.L.4-2005, SEC.56.

IC 6-3.1-10-1.7

"Pass through entity" defined

Sec. 1.7. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.57-1996, SEC.1.

IC 6-3.1-10-2

"Qualified investment" defined

Sec. 2. As used in this chapter, "qualified investment" means the purchase of an ownership interest in a business located in an enterprise zone if the purchase is approved by the Indiana economic development corporation under section 8 of this chapter.

As added by P.L.9-1986, SEC.8. Amended by P.L.379-1987(ss), SEC.8; P.L.4-2005, SEC.57.

IC 6-3.1-10-2.5

"SIC Manual" defined

Sec. 2.5. As used in this chapter, "SIC Manual" refers to the current edition of the Standard Industrial Classification Manual of the United States Office of Management and Budget.

As added by P.L.379-1987(ss), SEC.9. Amended by P.L.24-1995, SEC.23.

IC 6-3.1-10-3

"State tax liability" defined

Sec. 3. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax), as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

As added by P.L.9-1986, SEC.8.

IC 6-3.1-10-4

"Taxpayer" defined

Sec. 4. (a) As used in this chapter, "taxpayer" means any individual that has any state tax liability.

(b) Notwithstanding subsection (a), for a credit for a qualified

investment in a business located in an enterprise zone in a county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000), "taxpayer" includes a pass through entity.
As added by P.L.9-1986, SEC.8. Amended by P.L.24-1995, SEC.24; P.L.57-1996, SEC.2; P.L.170-2002, SEC.23.

IC 6-3.1-10-5
"Transfer ownership" defined
Sec. 5. As used in this chapter, "transfer ownership" means to purchase existing investment in a business, including real property, improvements to real property, or equipment.
As added by P.L.9-1986, SEC.8.

IC 6-3.1-10-6
Credit for qualified investment; amount
Sec. 6. (a) A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment in that taxable year.
(b) The amount of the credit to which a taxpayer is entitled is the percentage determined under section 8 of this chapter multiplied by the price of the qualified investment made by the taxpayer during the taxable year.
As added by P.L.9-1986, SEC.8.

IC 6-3.1-10-6.5
Pass through entity; credit
Sec. 6.5. (a) If a pass through entity is entitled to a credit under section 6 of this chapter but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:
(1) the tax credit determined for the pass through entity for the taxable year; multiplied by
(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.
(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and an individual who is a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same investment.
As added by P.L.57-1996, SEC.3.

IC 6-3.1-10-7
Carryover of excess credit
Sec. 7. (a) If the amount determined under section 6(b) of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit

carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

As added by P.L.9-1986, SEC.8.

IC 6-3.1-10-8

Qualifying for credit; request for determination; findings; certification of credit percentage; application of credit on transfer of ownership

Sec. 8. (a) To be entitled to a credit, a taxpayer must request the Indiana economic development corporation to determine:

(1) whether a purchase of an ownership interest in a business located in an enterprise zone is a qualified investment; and

(2) the percentage credit to be allowed.

The request must be made before a purchase is made.

(b) The Indiana economic development corporation shall find that a purchase is a qualified investment if:

(1) the business is viable;

(2) the business has not been disqualified from enterprise zone incentives or benefits under IC 5-28-15;

(3) the taxpayer has a legitimate purpose for purchase of the ownership interest;

(4) the purchase would not be made unless a credit is allowed under this chapter; and

(5) the purchase is critical to the commencement, enhancement, or expansion of business operations in the zone and will not merely transfer ownership, and the purchase proceeds will be used only in business operations in the enterprise zone.

The Indiana economic development corporation may delay making a finding under this subsection if, at the time the request is filed under subsection (a), an urban enterprise zone association has made a recommendation that the business be disqualified from enterprise zone incentives or benefits under IC 5-28-15 and the board of the Indiana economic development corporation has not acted on that request. The delay by the Indiana economic development corporation may not last for more than sixty (60) days.

(c) If the Indiana economic development corporation finds that a purchase is a qualified investment, the department shall certify the percentage credit to be allowed under this chapter based upon the following:

(1) A percentage credit of ten percent (10%) may be allowed based upon the need of the business for equity financing, as demonstrated by the inability of the business to obtain debt financing.

(2) A percentage credit of two percent (2%) may be allowed for business operations in the retail, professional, or warehouse/distribution codes of the SIC Manual.

(3) A percentage credit of five percent (5%) may be allowed for

business operations in the manufacturing codes of the SIC Manual.

(4) A percentage credit of five percent (5%) may be allowed for high technology business operations (as defined in IC 5-28-15-1).

(5) A percentage credit may be allowed for jobs created during the twelve (12) month period following the purchase of an ownership interest in the zone business, as determined under the following table:

JOBS CREATED	PERCENTAGE
Less than 11 jobs.	1%
11 to 25 jobs.	2%
26 to 40 jobs.	3%
41 to 75 jobs.	4%
More than 75 jobs.	5%

(6) A percentage credit of five percent (5%) may be allowed if fifty percent (50%) or more of the jobs created in the twelve (12) month period following the purchase of an ownership interest in the zone business will be reserved for zone residents.

(7) A percentage credit may be allowed for investments made in real or depreciable personal property, as determined under the following table:

AMOUNT OF INVESTMENT	PERCENTAGE
Less than $25,001.	1%
$25,001 to $50,000.	2%
$50,001 to $100,000.	3%
$100,001 to $200,000.	4%
More than $200,000.	5%

The total percentage credit may not exceed thirty percent (30%).

(d) If all or a part of a purchaser's intent is to transfer ownership, the tax credit shall be applied only to that part of the investment that relates directly to the enhancement or expansion of business operations at the zone location.

As added by P.L.9-1986, SEC.8. Amended by P.L.379-1987(ss), SEC.10; P.L.289-2001, SEC.13; P.L.4-2005, SEC.58.

IC 6-3.1-10-9

Claiming credit

Sec. 9. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certification of the percentage credit by the Indiana economic development corporation and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an investment cost is a qualified investment cost.

As added by P.L.9-1986, SEC.8. Amended by P.L.4-2005, SEC.59.

IC 6-3.1-11

Chapter 11. Industrial Recovery Tax Credit

IC 6-3.1-11-1

"Applicable percentage"

Sec. 1. As used in this chapter, "applicable percentage" means the percentage determined as follows:

(1) If a plant that is located on an industrial recovery site was placed in service at least fifteen (15) years ago but less than thirty (30) years ago, the applicable percentage is fifteen percent (15%).

(2) If a plant that is located on an industrial recovery site was placed in service at least thirty (30) years ago but less than forty (40) years ago, the applicable percentage is twenty percent (20%).

(3) If a plant that is located on an industrial recovery site was placed in service at least forty (40) years ago, the applicable percentage is twenty-five percent (25%).

The time that has expired since a plant was placed in service shall be determined as of the date that an application is filed with the corporation for designation of the location as an industrial recovery site under this chapter.

As added by P.L.379-1987(ss), SEC.11. Amended by P.L.113-2011, SEC.1; P.L.288-2013, SEC.34.

IC 6-3.1-11-2

Repealed

(Repealed by P.L.288-2013, SEC.35.)

IC 6-3.1-11-2.5

"Corporation"

Sec. 2.5. As used in this chapter, "corporation" refers to the Indiana economic development corporation created under IC 5-28-3 unless the context clearly denotes otherwise.

As added by P.L.288-2013, SEC.36.

IC 6-3.1-11-3

"Executive"

Sec. 3. As used in this chapter, "executive" has the meaning set forth in IC 36-1-2-5.

As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-4

"Floor space"

Sec. 4. As used in this chapter, "floor space" means the usable interior floor space of a building.

As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-5

"Industrial recovery site"

Sec. 5. As used in this chapter, "industrial recovery site" means an industrial recovery site designated under this chapter.
As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-6
"Legislative body"
Sec. 6. As used in this chapter, "legislative body" has the meaning set forth in IC 36-1-2-9.
As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-7
"Municipality"
Sec. 7. As used in this chapter, "municipality" has the meaning set forth in IC 36-1-2-11.
As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-8
"Placed in service"
Sec. 8. As used in this chapter, "placed in service" means that property is placed in a condition or state of readiness and availability for a specifically assigned function. In the case of a plant comprised of a complex of buildings, the entire plant shall be considered to have been placed in service as of the date that a building was placed in service if the building has floor space that, when aggregated with the floor space of all buildings in the complex placed in service on earlier dates, exceeds fifty percent (50%) of the total floor space of all buildings in the complex.
As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-9
"Plant"
Sec. 9. As used in this chapter, "plant" means a building or complex of buildings used, or designed and constructed for use, in production, manufacturing, fabrication, assembly, processing, refining, finishing, or warehousing of tangible personal property, whether the tangible personal property is or was for sale to third parties or for use by the owner in the owner's business.
As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-10
"Qualified investment"
Sec. 10. As used in this chapter, "qualified investment" means the amount of the taxpayer's expenditures for rehabilitation of property located within an industrial recovery site.
As added by P.L.379-1987(ss), SEC.11. Amended by P.L.288-2013, SEC.37.

IC 6-3.1-11-11
"Rehabilitation"
Sec. 11. As used in this chapter, "rehabilitation" means the

remodeling, repair, or betterment of real property in any manner or any enlargement or extension of real property.
As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-12
"State tax liability"

Sec. 12. As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 27-1-18-2 (the insurance premiums tax); and
(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.
As added by P.L.379-1987(ss), SEC.11. Amended by P.L.80-1989, SEC.10; P.L.347-1989(ss), SEC.16; P.L.192-2002(ss), SEC.101.

IC 6-3.1-11-13
"Taxpayer"

Sec. 13. As used in this chapter, "taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has any state tax liability and that is the owner or developer of an industrial recovery site. The term includes a lessee that is assigned some part of a credit under section 16(c) of this chapter.
As added by P.L.379-1987(ss), SEC.11. Amended by P.L.8-1993, SEC.89; P.L.8-1996, SEC.9.

IC 6-3.1-11-14
"Vacant"

Sec. 14. As used in this chapter, "vacant" means with respect to a plant that at least seventy-five percent (75%) of the plant placed in service is not used to carry on production, manufacturing, assembly, processing, refining, finishing, or warehousing of tangible personal property.
As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-15
"Vacant industrial facility"

Sec. 15. As used in this chapter, "vacant industrial facility" means a tract of land on which there is located a plant that:

(1) has:
    (A) for taxable years beginning after December 31, 2010, and beginning before January 1, 2015, at least fifty thousand (50,000) square feet of floor space; or
    (B) for taxable years beginning after December 31, 2014, at least one hundred thousand (100,000) square feet of floor space; and
(2) was placed in service at least fifteen (15) years ago.

As added by P.L.379-1987(ss), SEC.11. Amended by P.L.26-2004, SEC.1; P.L.113-2011, SEC.2; P.L.288-2013, SEC.38.

IC 6-3.1-11-16
Credit for qualified investment; computation of amount; assignment of credit

Sec. 16. (a) Subject to section 21 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by the applicable percentage.

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of the industrial recovery site. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department of revenue. The taxpayer shall not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

As added by P.L.379-1987(ss), SEC.11. Amended by P.L.8-1996, SEC.10.

IC 6-3.1-11-17
Carryover of excess credit; carryback or refund of unused credit barred

Sec. 17. (a) If the amount determined under section 16(b) of this chapter for a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the immediately following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

As added by P.L.379-1987(ss), SEC.11.

IC 6-3.1-11-18
Repealed

(Repealed by P.L.288-2013, SEC.39.)

IC 6-3.1-11-19
Evaluation of applications; factors considered

Sec. 19. The corporation shall consider the following factors in evaluating applications filed under this chapter:

(1) The level of distress in the surrounding community caused by the loss of jobs at the vacant industrial facility.

(2) Evidence of support for the designation by residents, businesses, and private organizations in the surrounding community.

(3) Evidence of a commitment by private or governmental

entities to assist in the financing of improvements or redevelopment activities benefiting the vacant industrial facility.

(4) Whether the industrial recovery site is within an economic revitalization area designated under IC 6-1.1-12.1.

As added by P.L.379-1987(ss), SEC.11. Amended by P.L.146-2008, SEC.324; P.L.288-2013, SEC.40.

IC 6-3.1-11-20
Repealed

(Repealed by P.L.288-2013, SEC.41.)

IC 6-3.1-11-21
Disqualification to claim credit due to substantial reduction or cessation of operations in Indiana; determination

Sec. 21. A taxpayer is not entitled to claim the credit provided by this chapter if the corporation determines that the taxpayer has substantially reduced or ceased its operations in Indiana in order to relocate them within the industrial recovery site. A determination that a taxpayer is not entitled to the credit provided by this chapter as a result of a substantial reduction or cessation of operations applies to credits that would otherwise arise in the taxable year in which the substantial reduction or cessation occurs and in all subsequent years.

As added by P.L.379-1987(ss), SEC.11. Amended by P.L.288-2013, SEC.42.

IC 6-3.1-11-22
Application of credit against taxes owed; order; computation

Sec. 22. (a) A credit to which a taxpayer is entitled under this chapter shall be applied against taxes owed by the taxpayer in the following order:

(1) Against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.

(2) Against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) for the taxable year.

(3) Against the taxpayer's financial institutions tax (IC 6-5.5) for the taxable year.

(b) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this chapter.

As added by P.L.379-1987(ss), SEC.11. Amended by P.L.80-1989, SEC.11; P.L.347-1989(ss), SEC.17; P.L.1-1990, SEC.79; P.L.192-2002(ss), SEC.102; P.L.1-2003, SEC.37.

IC 6-3.1-11-23
Claiming of credit on annual tax return; certification; required information

Sec. 23. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or

returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certification of the corporation stating the percentage of credit allowable under this chapter and all other information that the department determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an expenditure was for a qualified investment.
As added by P.L.379-1987(ss), SEC.11. Amended by P.L.288-2013, SEC.43.

IC 6-3.1-11-24
Pass through entities

Sec. 24. (a) If a pass through entity does not have state income tax liability against which the tax credit provided by this chapter may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter.
As added by P.L.166-2014, SEC.13.

IC 6-3.1-11.5
Repealed

(Repealed by P.L.288-2013, SEC.44.)

IC 6-3.1-11.6
Repealed

(Repealed by P.L.288-2013, SEC.45.)

IC 6-3.1-12
Repealed

(Repealed by P.L.2-1995, SEC.140.)

IC 6-3.1-13

Chapter 13. Economic Development for a Growing Economy Tax Credit

IC 6-3.1-13-0.4

Legalization of actions taken by Indiana economic development corporation in administration of chapter after February 8, 2005, and before May 11, 2005

Sec. 0.4. The actions taken by the Indiana economic development corporation to administer this chapter, as amended by P.L.4-2005, after February 8, 2005, and before May 11, 2005, are legalized and validated.

As added by P.L.220-2011, SEC.141.

IC 6-3.1-13-1

Repealed

(Repealed by P.L.4-2005, SEC.148.)

IC 6-3.1-13-1.5

"Corporation"

Sec. 1.5. As used in this chapter, "corporation" means the Indiana economic development corporation established by IC 5-28-3-1.

As added by P.L.4-2005, SEC.66.

IC 6-3.1-13-2

"Credit amount"

Sec. 2. As used in this chapter, "credit amount" means the amount agreed to between the corporation and applicant under this chapter, but not to exceed, in the case of a credit awarded for a project to create new jobs in Indiana, the incremental income tax withholdings attributable to the applicant's project.

As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.41; P.L.4-2005, SEC.67.

IC 6-3.1-13-3

"Director"

Sec. 3. As used in this chapter, "director" means the president of the corporation.

As added by P.L.41-1994, SEC.1. Amended by P.L.4-2005, SEC.68.

IC 6-3.1-13-4

"Full-time employee"

Sec. 4. As used in this chapter, "full-time employee" means an individual who is employed for consideration for at least thirty-five (35) hours each week or who renders any other standard of service generally accepted by custom or specified by contract as full-time employment.

As added by P.L.41-1994, SEC.1.

IC 6-3.1-13-5

"Incremental income tax withholdings"

Sec. 5. (a) As used in this chapter, "incremental income tax withholdings" means the total amount withheld under IC 6-3-4-8 by the taxpayer during the taxable year from the compensation of new employees.

(b) The term does not include, for withholding periods beginning after June 30, 2011, any amount withheld from an individual for services provided in Indiana as an employee, if the:

(1) individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a; and

(2) taxpayer was not enrolled and participating in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year.

As added by P.L.41-1994, SEC.1. Amended by P.L.171-2011, SEC.5.

IC 6-3.1-13-5.3

"NAICS"

Sec. 5.3. As used in this chapter, "NAICS" refers to the North American Industry Classification System.

As added by P.L.197-2005, SEC.2.

IC 6-3.1-13-5.5

"NAICS industry sector"

Sec. 5.5. As used in this chapter, "NAICS industry sector" refers to industries that share the same first two (2) digits of the six (6) digit NAICS code assigned to industries in the NAICS Manual of the United States Office of Management and Budget.

As added by P.L.197-2005, SEC.3.

IC 6-3.1-13-6

"New employee"

Sec. 6. (a) As used in this chapter, "new employee" means a full-time employee first employed by a taxpayer in the project that is the subject of a tax credit agreement and who is employed after the taxpayer enters into the tax credit agreement.

(b) The term "new employee" does not include:

(1) an employee of the taxpayer who performs a job that was previously performed by another employee, if that job existed for at least six (6) months before hiring the new employee;

(2) an employee of the taxpayer who was previously employed in Indiana by a related member of the taxpayer and whose employment was shifted to the taxpayer after the taxpayer entered into the tax credit agreement; or

(3) a child, grandchild, parent, or spouse, other than a spouse who is legally separated from the individual, of any individual who is an employee of the taxpayer and who has a direct or an indirect ownership interest of at least five percent (5%) in the profits, capital, or value of the taxpayer (an ownership interest shall be determined in accordance with Section 1563 of the Internal Revenue Code and regulations prescribed under that

Section).

(c) Notwithstanding subsection (b)(1), if a new employee performs a job that was previously performed by an employee who was:

(1) treated under the agreement as a new employee; and

(2) promoted by the taxpayer to another job;

the employee may be considered a new employee under the agreement.

(d) Notwithstanding subsection (a), the board may credit awards to an applicant that met the conditions of this chapter at the time of the applicant's location or expansion decision, if:

(1) the applicant is in receipt of a letter from the department of commerce stating an intent to enter into a credit agreement; and

(2) the letter described in subdivision (1) is issued by the department of commerce not later than March 15, 1994.

As added by P.L.41-1994, SEC.1.

IC 6-3.1-13-7
"Pass through entity"

Sec. 7. As used in this chapter, "pass through entity" means a:

(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) partnership;

(3) trust;

(4) limited liability company; or

(5) limited liability partnership.

As added by P.L.41-1994, SEC.1. Amended by P.L.81-2004, SEC.13.

IC 6-3.1-13-8
"Related member"

Sec. 8. As used in this chapter, "related member" means a person that, with respect to the taxpayer during all or any portion of the taxable year, is any one (1) of the following:

(1) An individual stockholder, or a member of the stockholder's family enumerated in Section 318 of the Internal Revenue Code, if the stockholder and the member of the stockholder's family own directly, indirectly, beneficially, or constructively, in the aggregate, at least fifty percent (50%) of the value of the taxpayer's outstanding stock.

(2) A stockholder, or a stockholder's partnership, estate, trust, or corporation, if the stockholder and the stockholder's partnership, estate, trust, or corporation owns directly, indirectly, beneficially, or constructively, in the aggregate, at least fifty percent (50%) of the value of the taxpayer's outstanding stock.

(3) A corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the taxpayer owns directly, indirectly, beneficially, or constructively at least fifty percent (50%) of the value of the corporation's outstanding stock.

(4) A component member (as defined in Section 1563(b) of the Internal Revenue Code).

(5) A person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code except, for purposes of determining whether a person is a related member under this subdivision, twenty percent (20%) shall be substituted for five percent (5%) wherever five percent (5%) appears in Section 1563(e) of the Internal Revenue Code.

As added by P.L.41-1994, SEC.1.

IC 6-3.1-13-9
"State tax liability"

Sec. 9. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 27-1-18-2 (the insurance premiums tax); and

(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.41-1994, SEC.1. Amended by P.L.192-2002(ss), SEC.105.

IC 6-3.1-13-10
"Taxpayer"

Sec. 10. As used in this chapter, "taxpayer" means a person, corporation, partnership, or other entity that has any state tax liability or that submits incremental income tax withholdings under IC 6-3-4-8.

As added by P.L.41-1994, SEC.1. Amended by P.L.113-2010, SEC.58.

IC 6-3.1-13-11
Credit against state tax liability

Sec. 11. Subject to the conditions set forth in this chapter, a taxpayer is entitled to a credit against any state tax liability that may be imposed on the taxpayer for a taxable year after December 31, 1993, if the taxpayer is awarded a credit by the board under this chapter for that taxable year.

As added by P.L.41-1994, SEC.1.

IC 6-3.1-13-12
Repealed

(Repealed by P.L.4-2005, SEC.148.)

IC 6-3.1-13-13
Purposes for which credit may be awarded; years for which credit claimed

Sec. 13. (a) The corporation may make credit awards under this

chapter for any of the following:

(1) To foster job creation in Indiana.

(2) To foster job retention in Indiana.

(3) For taxable years beginning after December 31, 2014, and before January 1, 2019, to foster employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification.

(b) The credit shall be claimed for the taxable years specified in the taxpayer's tax credit agreement.

As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.42; P.L.4-2005, SEC.69; P.L.167-2014, SEC.5.

IC 6-3.1-13-14

Application to enter into agreement for tax credit

Sec. 14. (a) A person that proposes a project to create new jobs in Indiana may apply, as provided in section 15 of this chapter, to the corporation to enter into an agreement for a tax credit under this chapter.

(b) A person that proposes to retain existing jobs in Indiana may apply, as provided in section 15.5 of this chapter, to the corporation to enter into an agreement for a tax credit under this chapter.

(c) This subsection applies to taxable years beginning after December 31, 2014, and before January 1, 2019. A person that proposes to employ in Indiana students who have participated in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification may apply, as provided in section 15.7 of this chapter, to the corporation to enter into a agreement for a tax credit under this chapter.

(d) The director shall prescribe the form of the application.

As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.43; P.L.4-2005, SEC.70; P.L.167-2014, SEC.6.

IC 6-3.1-13-15

Agreement for tax credit with respect to new job creation; conditions

Sec. 15. This section applies to an application proposing a project to create new jobs in Indiana. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all of the following conditions exist:

(1) The applicant's project will create new jobs that were not jobs previously performed by employees of the applicant in Indiana.

(2) The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment in Indiana and strengthening the economy of

Indiana.

(3) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not creating new jobs in Indiana.

(4) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

(5) The credit is not prohibited by section 16 of this chapter.

(6) If the business is located in a community revitalization enhancement district established under IC 36-7-13 or a certified technology park established under IC 36-7-32, the legislative body of the political subdivision establishing the district or park has adopted an ordinance recommending the granting of a credit amount that is at least equal to the credit amount provided in the agreement.

As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.44; P.L.4-2005, SEC.71; P.L.197-2005, SEC.4.

IC 6-3.1-13-15.5

Agreement for tax credit with respect to job retention; conditions

Sec. 15.5. This section applies to an application proposing to retain existing jobs in Indiana. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all the following conditions exist:

(1) The applicant's project will retain existing jobs performed by the employees of the applicant in Indiana.

(2) The applicant is engaged in research and development, manufacturing, or business services, according to the NAICS Manual of the United States Office of Management and Budget.

(3) The average compensation (including benefits) provided to the applicant's employees during the applicant's previous fiscal year exceeds the greater of the following:

(A) If there is more than one (1) business in the same NAICS industry sector as the applicant's business in the county in which the applicant's business is located, the average compensation paid during that same period to all employees working in that NAICS industry sector in that county multiplied by one hundred five percent (105%).

(B) If there is more than one (1) business in the same NAICS industry sector as the applicant's business in Indiana, the average compensation paid during that same period to all employees working in that NAICS industry sector throughout Indiana multiplied by one hundred five percent (105%).

(C) The compensation for that same period corresponding to the federal minimum wage multiplied by two hundred percent (200%).

(4) For taxable years beginning before January 1, 2010, the

applicant employs at least thirty-five (35) employees in Indiana.

(5) The applicant has prepared a plan for the use of the credits under this chapter for:

(A) investment in facility improvements or equipment and machinery upgrades, repairs, or retrofits; or

(B) other direct business related investments, including but not limited to training.

(6) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project, and not receiving the tax credit will increase the likelihood of the applicant reducing jobs in Indiana.

(7) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

(8) The applicant's business and project are economically sound and will benefit the people of Indiana by increasing or maintaining opportunities for employment and strengthening the economy of Indiana.

(9) The communities affected by the potential reduction in jobs or relocation of jobs to another site outside Indiana have committed local incentives with respect to the retention of jobs in an amount determined by the corporation. For purposes of this subdivision, local incentives include, but are not limited to, cash grants, tax abatements, infrastructure improvements, investment in facility rehabilitation, construction, and training investments.

(10) The credit is not prohibited by section 16 of this chapter.

(11) If the business is located in a community revitalization enhancement district established under IC 36-7-13 or a certified technology park established under IC 36-7-32, the legislative body of the political subdivision establishing the district or park has adopted an ordinance recommending the granting of a credit amount that is at least equal to the credit amount provided in the agreement.

As added by P.L.178-2002, SEC.45. Amended by P.L.4-2005, SEC.72; P.L.197-2005, SEC.5; P.L.137-2006, SEC.4; P.L.110-2010, SEC.15.

IC 6-3.1-13-15.7

Application for tax credit for cooperative arrangements for training students; consultation with Indiana career council; annual maximum credit

Sec. 15.7. (a) This section applies to an application proposing to employ students who have participated in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification.

(b) A taxpayer who wishes to claim the credit provided by this chapter for employment of candidates to which this section applies may submit an application to the corporation after June 30, 2014, for

a taxable year beginning after December 31, 2014, and before January 1, 2019, in the manner prescribed by the corporation.

(c) After receipt of an application, the corporation may enter into an agreement with the applicant for a tax credit under this chapter if the corporation determines that the applicant:

(1) participates in at least one (1) cooperative arrangement with an educational institution for the training of students in high wage, high demand jobs that require an industry certification; and

(2) meets any additional eligibility conditions established by the corporation.

(d) The corporation may consult with the Indiana career council to develop eligibility and performance conditions that an applicant must meet to qualify for a credit award to which this section applies.

(e) The aggregate amount of tax credits awarded under this section for a state fiscal year may not exceed two million five hundred thousand dollars ($2,500,000).

As added by P.L.167-2014, SEC.7.

IC 6-3.1-13-16

Relocation of jobs from one site to another within state; credit prohibited

Sec. 16. A person is not entitled to claim the credit provided by this chapter for any jobs that the person relocates from one (1) site in Indiana to another site in Indiana. Determinations under this section shall be made by the corporation.

As added by P.L.41-1994, SEC.1. Amended by P.L.4-2005, SEC.73.

IC 6-3.1-13-17

Amount of credit awarded; factors

Sec. 17. In determining the credit amount that should be awarded to an applicant under section 15 of this chapter that proposes a project to create jobs in Indiana, the corporation may take into consideration the following factors:

(1) The economy of the county where the projected investment is to occur.

(2) The potential impact on the economy of Indiana.

(3) The incremental payroll attributable to the project.

(4) The capital investment attributable to the project.

(5) The amount the average wage paid by the applicant exceeds the average wage paid:

(A) within the county in which the project will be located, in the case of an application submitted before January 1, 2006; or

(B) in the case of an application submitted after December 31, 2005:

(i) to all employees working in the same NAICS industry sector to which the applicant's business belongs in the county in which the applicant's business is located, if there is more than one (1) business in that NAICS industry

sector in the county in which the applicant's business is located;

(ii) to all employees working in the same NAICS industry sector to which the applicant's business belongs in Indiana, if the applicant's business is the only business in that NAICS industry sector in the county in which the applicant's business is located but there is more than one (1) business in that NAICS industry sector in Indiana; or

(iii) to all employees working in the same county as the county in which the applicant's business is located, if there is no other business in Indiana in the same NAICS industry sector to which the applicant's business belongs.

(6) The costs to Indiana and the affected political subdivisions with respect to the project.

(7) The financial assistance and incentives that are otherwise provided by Indiana and the affected political subdivisions.

(8) The extent to which the incremental income tax withholdings attributable to the applicant's project are needed for the purposes of an incremental tax financing fund or industrial development fund under IC 36-7-13 or a certified technology park fund under IC 36-7-32.

As appropriate, the corporation shall consider the factors in this section to determine the credit amount awarded to an applicant for a project to retain existing jobs in Indiana under section 15.5 of this chapter.

As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.46; P.L.4-2005, SEC.74; P.L.197-2005, SEC.6.

IC 6-3.1-13-18

Duration of credit; maximum credit with respect to job creation; total maximum with respect to job retention; prohibit computation of credit

Sec. 18. (a) The corporation shall determine the amount and duration of a tax credit awarded under this chapter. The duration of the credit may not exceed ten (10) taxable years. The credit may be stated as a percentage of the incremental income tax withholdings attributable to the applicant's project and may include a fixed dollar limitation. In the case of a credit awarded for a project to create new jobs in Indiana, the credit amount may not exceed the incremental income tax withholdings. However, the credit amount claimed for a taxable year may exceed the taxpayer's state tax liability for the taxable year, in which case the excess may, at the discretion of the corporation, be refunded to the taxpayer.

(b) For state fiscal year 2006 and each state fiscal year thereafter, the aggregate amount of credits awarded under this chapter for projects to retain existing jobs in Indiana may not exceed ten million dollars ($10,000,000) per year.

(c) This subsection does not apply to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in

Indiana in the taxable year. A credit under this chapter may not be computed on any amount withheld from an individual or paid to an individual for services provided in Indiana as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.47; P.L.4-2005, SEC.75; P.L.197-2005, SEC.7; P.L.137-2006, SEC.5; P.L.171-2011, SEC.6.

IC 6-3.1-13-19

Agreement for tax credit with respect to job creation; requirements

Sec. 19. In the case of a credit awarded for a project to create new jobs in Indiana, the corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:

(1) A detailed description of the project that is the subject of the agreement.

(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.

(3) The credit amount that will be allowed for each taxable year.

(4) A requirement that the taxpayer shall maintain operations at the project location for at least two (2) years following the last taxable year in which the applicant claims the tax credit or carries over an unused part of the tax credit under section 18 of this chapter. A taxpayer is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A specific method for determining the number of new employees employed during a taxable year who are performing jobs not previously performed by an employee.

(6) A requirement that the taxpayer shall annually report to the corporation the number of new employees who are performing jobs not previously performed by an employee, the new income tax revenue withheld in connection with the new employees, and any other information the director needs to perform the director's duties under this chapter.

(7) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (6), and after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.

(8) A requirement that the taxpayer shall provide written notification to the director and the corporation not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(9) Any other performance conditions that the corporation determines are appropriate.

As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.48; P.L.4-2005, SEC.76; P.L.197-2005, SEC.8.

IC 6-3.1-13-19.5

Agreement for tax credit with respect to job retention; requirements

Sec. 19.5. (a) In the case of a credit awarded for a project to retain existing jobs in Indiana, the corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all of the following:

(1) A detailed description of the business that is the subject of the agreement.

(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.

(3) The credit amount that will be allowed for each taxable year.

(4) A requirement that the applicant shall maintain operations at the project location for at least two (2) years following the last taxable year in which the applicant claims the tax credit or carries over an unused part of the tax credit under section 18 of this chapter. An applicant is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A requirement that the applicant shall annually report the following to the corporation:

(A) The number of employees who are employed in Indiana by the applicant.

(B) The compensation (including benefits) paid to the applicant's employees in Indiana.

(C) The amount of the:

(i) facility improvements;

(ii) equipment and machinery upgrades, repairs, or retrofits; or

(iii) other direct business related investments, including training.

(6) A requirement that the applicant shall provide written notification to the director and the corporation not more than thirty (30) days after the applicant makes or receives a proposal that would transfer the applicant's state tax liability obligations to a successor taxpayer.

(7) Any other performance conditions that the corporation determines are appropriate.

(b) An agreement between an applicant and the corporation must be submitted to the budget committee for review and must be approved by the budget agency before an applicant is awarded a credit under this chapter for a project to retain existing jobs in Indiana.

As added by P.L.178-2002, SEC.49. Amended by P.L.4-2005, SEC.77; P.L.197-2005, SEC.9.

IC 6-3.1-13-19.7

Agreement for tax credit for cooperative arrangements for training students; conditions

Sec. 19.7. (a) In the case of a credit awarded for employment in

Indiana of students who have participated in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification, the corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:

(1) A detailed description of the applicant's own cooperative arrangements between the applicant and educational institutions for the training of students in high wage, high demand jobs that require an industry certification.

(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.

(3) The credit amount that will be allowed for each taxable year.

(4) A requirement that the taxpayer shall maintain the applicant's cooperative arrangements between the applicant and educational institutions for the training of students in high wage, high demand jobs that require an industry certification for at least two (2) years following the last taxable year in which the applicant claims the tax credit or carries over an unused part of the tax credit under section 18 of this chapter. A taxpayer is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A specific method for determining the number of employees who:

(A) were students who participated in a course of study that included a cooperative arrangement between an employer and an educational institution for the training of students in high wage, high demand jobs that require an industry certification; and

(B) are employed during a taxable year.

(6) A requirement that the taxpayer annually shall report to the corporation:

(A) the number of employees who participated in a course of study that includes a cooperative arrangement between an employer and an educational institution for the training of students in high wage, high demand jobs that require an industry certification;

(B) the income tax revenue withheld in connection with the employees described in clause (A); and

(C) any other information the director needs to perform the director's duties under this chapter.

(7) A requirement that the director is authorized to verify with the appropriate state agencies the information reported under subdivision (6), and after doing so shall issue a certificate to the taxpayer stating that the information has been verified.

(8) A requirement that the taxpayer shall provide written notification to the director and the corporation not more than thirty (30) days after the taxpayer makes or receives a proposal

that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(9) Any other performance conditions that the corporation determines are appropriate.

(b) A taxpayer who is awarded a credit under this chapter for employees who participated in a course of study that included a cooperative agreement between an employer and an educational institution for the training of students in high wage, high demand jobs that require an industry certification may claim the credit only for employees whose course of study included a cooperative arrangement between the taxpayer and an educational institution for the training of students in high wage, high demand jobs that require an industry certification.

As added by P.L.167-2014, SEC.8.

IC 6-3.1-13-20

Claiming credit; submission of required information to department of state revenue

Sec. 20. A taxpayer claiming a credit under this chapter must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department determines necessary for the calculation of the credit provided by this chapter and the determination of whether the credit was properly claimed.

As added by P.L.41-1994, SEC.1. Amended by P.L.4-2005, SEC.78.

IC 6-3.1-13-21

Pass through entity; calculation of tax credit; shareholder or partner claiming credit; refundable credits

Sec. 21. (a) If a pass through entity does not have state income tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder or partner of a pass through entity is otherwise entitled under a separate agreement under this chapter. A pass through entity and a shareholder or partner of the pass through entity may not claim more than one (1) credit under the same agreement.

(c) Subsection (d) applies:

(1) only to a pass through entity that is a limited liability company or a limited liability partnership owned wholly or in part by an electric cooperative incorporated under IC 8-1-13; and

(2) if, at the request of the pass through entity, the corporation finds that the amount of the average wage to be paid by the pass

through entity will be at least double the average wage paid:

(A) in the county in which the project will be located, in the case of an application submitted before January 1, 2006; or

(B) in the case of an application submitted after December 31, 2005:

(i) to all employees working in the same NAICS industry sector to which the applicant's business belongs in the county in which the applicant's business is located, if there is more than one (1) business in that NAICS industry sector in the county in which the applicant's business is located;

(ii) to all employees working in the same NAICS industry sector to which the applicant's business belongs in Indiana, if the applicant's business is the only business in that NAICS industry sector in the county in which the applicant's business is located but there is more than one (1) business in that NAICS industry sector in Indiana; or

(iii) to all employees working in the same county as the county in which the applicant's business is located, if there is no other business in Indiana in the same NAICS industry sector to which the applicant's business belongs.

(d) The corporation may determine that:

(1) a credit shall be claimed by the pass through entity described in subsection (c); and

(2) if the credit exceeds the pass through entity's state income tax liability for the taxable year, the excess shall be refunded to the pass through entity.

If the corporation grants a refund directly to a pass through entity under this subsection, the pass through entity shall claim the refund on forms prescribed by the department of state revenue.

As added by P.L.41-1994, SEC.1. Amended by P.L.81-2004, SEC.14; P.L.4-2005, SEC.79; P.L.197-2005, SEC.10.

IC 6-3.1-13-22

Noncompliance with agreement; assessments

Sec. 22. If the department of state revenue or the corporation determines that a taxpayer who has claimed a credit under this chapter is not entitled to the credit because of the taxpayer's noncompliance with the requirements of the tax credit agreement or all of the provisions of this chapter, the department or the corporation shall, after giving the taxpayer an opportunity to explain the noncompliance, impose an assessment on the taxpayer in an amount that may not exceed the sum of any previously allowed credits under this chapter together with interest and penalties required or permitted by law.

As added by P.L.41-1994, SEC.1. Amended by P.L.4-2005, SEC.80.

IC 6-3.1-13-23

Repealed

(Repealed by P.L.222-2007, SEC.2.)

IC 6-3.1-13-24
Biennial evaluation by Indiana economic development corporation

Sec. 24. On a biennial basis, the corporation shall provide for an evaluation of the tax credit program. The evaluation shall include an assessment of the effectiveness of the program in creating new jobs and retaining existing jobs in Indiana and of the revenue impact of the program, and may include a review of the practices and experiences of other states with similar programs. The director shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives after June 30 and before November 1 in each odd-numbered year.
As added by P.L.41-1994, SEC.1. Amended by P.L.178-2002, SEC.50; P.L.4-2005, SEC.82.

IC 6-3.1-13-25
Rules adoption; fees

Sec. 25. The corporation may adopt rules under IC 4-22-2 necessary to implement this chapter. The rules may provide for recipients of tax credits under this chapter to be charged fees to cover administrative costs of the tax credit program. Fees collected shall be deposited in the economic development for a growing economy fund.
As added by P.L.41-1994, SEC.1. Amended by P.L.4-2005, SEC.83.

IC 6-3.1-13-26
Economic development for a growing economy fund; use; investments; appropriations

Sec. 26. (a) The economic development for a growing economy fund is established to be used exclusively for the purposes of this chapter and IC 6-3.1-26, including paying for the costs of administering this chapter and IC 6-3.1-26. The fund shall be administered by the corporation.

(b) The fund consists of collected fees, appropriations from the general assembly, and gifts and grants to the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter. Expenditures from the fund are subject to appropriation by the general assembly and approval by the budget agency.
As added by P.L.41-1994, SEC.1. Amended by P.L.224-2003, SEC.193; P.L.4-2005, SEC.84.

IC 6-3.1-13-27
Repealed

(Repealed by P.L.113-2010, SEC.168.)

IC 6-3.1-13-28

Report to the budget committee

Sec. 28. The corporation shall, not later than August 1 each year, submit to the budget committee a report specifying the amount of credits granted under this chapter during the immediately preceding state fiscal year.

As added by P.L.205-2013, SEC.83.

IC 6-3.1-13.5
Repealed

(Repealed by P.L.288-2013, SEC.46.)

IC 6-3.1-14

Chapter 14. Maternity Home Tax Credit

IC 6-3.1-14-1

Definitions

Sec. 1. (a) The definitions in IC 16-18-2-219, IC 16-18-2-220, IC 16-18-2-290, and IC 16-18-2-349 apply throughout this chapter.

(b) As used in this chapter, "department" refers to the state department of health.

As added by P.L.117-1990, SEC.2. Amended by P.L.2-1993, SEC.56.

IC 6-3.1-14-2

Entitlement to credit; amount

Sec. 2. Each taxable year a person that owns and operates a registered maternity home located in Indiana under IC 16-26-1 and provides a temporary residence to at least one (1) pregnant woman for at least sixty (60) consecutive days during the pregnancy is entitled to a maternity home tax credit. The amount of the credit for a taxable year equals the lesser of the following:

(1) An amount equal to the sum of two hundred dollars ($200) for each pregnant woman who resided in the maternity home during the taxable year multiplied by a fraction equal to:

(A) the number of days that each pregnant woman resided in the maternity home during the taxable year; divided by

(B) thirty (30);

minus the amounts collected or owed from each pregnant woman.

(2) Three thousand dollars ($3,000).

As added by P.L.117-1990, SEC.2. Amended by P.L.2-1993, SEC.57.

IC 6-3.1-14-3

Utilization of tax credit

Sec. 3. With the exception of a husband and wife, if there is more than one (1) taxpayer that owns and operates a registered maternity home, then each taxpayer may utilize the credit in proportion to the taxpayer's ownership interest in the registered maternity home. In the case of a husband and wife who own and operate a registered maternity home jointly and who file separate tax returns, they may take the credit in equal shares or one (1) of them may utilize the whole credit.

As added by P.L.117-1990, SEC.2.

IC 6-3.1-14-4

Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-14-5

Carryover of tax credit; no carryback or refund of unused credit

Sec. 5. (a) If the amount determined under section 2 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state

tax liability (IC 6-3-1 through IC 6-3-7) for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of an unused credit.

As added by P.L.117-1990, SEC.2.

IC 6-3.1-14-6

Adoption of rules for determining eligibility and compliance

Sec. 6. Notwithstanding IC 6-8.1-3-3, the board shall adopt rules for determining eligibility and compliance of maternity home operators that apply for maternity home tax credits.

As added by P.L.117-1990, SEC.2.

IC 6-3.1-14-7

Procedures to obtain tax credit

Sec. 7. To obtain a maternity home tax credit provided by this chapter, a taxpayer must:

(1) file an application with the board on a form prescribed by the board;

(2) claim the credit in the manner prescribed by the department of state revenue; and

(3) file with the department a copy of the application completed and approved by the board stating the credit allowed.

As added by P.L.117-1990, SEC.2.

IC 6-3.1-14-8

Maximum annual tax credit

Sec. 8. The amount of tax credits allowed under this chapter may not exceed five hundred thousand dollars ($500,000) in a state fiscal year.

As added by P.L.117-1990, SEC.2.

IC 6-3.1-14-9

No tax credits awarded after 2011; carryforward of unused credits

Sec. 9. (a) A tax credit may not be awarded under this chapter for the providing, after December 31, 2011, of a temporary residence.

(b) Any tax credit previously awarded but not claimed may not be carried over to a taxable year beginning during the period January 1, 2012, through December 31, 2013, and must be carried forward to a taxable year that begins after December 31, 2013, and before January 1, 2016.

As added by P.L.172-2011, SEC.62.

IC 6-3.1-14-10

Expiration of chapter

Sec. 10. This chapter expires January 1, 2020.

As added by P.L.172-2011, SEC.63.

IC 6-3.1-15

Chapter 15. Tax Credit for Computer Equipment Donations

IC 6-3.1-15-1
Repealed

(Repealed by P.L.286-2013, SEC.4.)

IC 6-3.1-15-2
"Qualified computer equipment"

Sec. 2. As used in this chapter, "qualified computer equipment" means computer equipment, including hardware and software, specified by the state board under section 11 of this chapter.
As added by P.L.43-1992, SEC.11.

IC 6-3.1-15-3
"Service center"

Sec. 3. As used in this chapter, "service center" means an educational service center established under IC 20-20-1.
As added by P.L.43-1992, SEC.11. Amended by P.L.1-2005, SEC.96.

IC 6-3.1-15-4
"State board"

Sec. 4. As used in this chapter, "state board" refers to the Indiana state board of education.
As added by P.L.43-1992, SEC.11.

IC 6-3.1-15-5
"State tax liability"

Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 6-5.5 (the financial institutions tax); and
(3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.
As added by P.L.43-1992, SEC.11. Amended by P.L.70-1993, SEC.7; P.L.192-2002(ss), SEC.107.

IC 6-3.1-15-6
"Taxpayer"

Sec. 6. As used in this chapter, "taxpayer" means any person, corporation, limited liability company, partnership, or entity that has any state tax liability.
As added by P.L.43-1992, SEC.11. Amended by P.L.8-1993, SEC.90.

IC 6-3.1-15-7
Taxpayers entitled to credit

Sec. 7. A taxpayer that has donated during the taxable year qualified computer equipment to a service center is entitled to a tax

credit as provided in section 8 of this chapter.
As added by P.L.43-1992, SEC.11.

IC 6-3.1-15-8
Amount of credit

Sec. 8. The department shall grant a tax credit of one hundred dollars ($100) against the state tax liability of a taxpayer who qualifies for the tax credit under this chapter for each unit of qualified computer equipment that is donated under section 7 of this chapter.
As added by P.L.43-1992, SEC.11. Amended by P.L.62-1997, SEC.2.

IC 6-3.1-15-9
Applications for credit

Sec. 9. A taxpayer that desires to claim a tax credit under this chapter shall file with the department, in the form that the department prescribes, a tax credit application that includes a certification from:

(1) the applicant stating that the applicant is a taxpayer; and

(2) a service center, that is issued under section 11 of this chapter, stating that the applicant donated qualified computer equipment in accordance with this chapter.

As added by P.L.43-1992, SEC.11.

IC 6-3.1-15-10
Minimum standards for equipment; certification

Sec. 10. The state board shall establish minimum standards for qualified computer equipment. Upon receipt of computer equipment, a service center shall promptly inspect the equipment. If the computer equipment meets the minimum standards established by the state board, the service center shall accept the computer equipment as qualified computer equipment and shall, subject to section 11(b) of this chapter, promptly send a certification to the computer equipment owner for the tax credit available under this chapter.
As added by P.L.43-1992, SEC.11. Amended by P.L.1-2005, SEC.97; P.L.133-2012, SEC.55.

IC 6-3.1-15-11
Remittance of tax credits; defective equipment

Sec. 11. (a) Before September 1 of each year, the department shall send to the state board a statement of the aggregate tax credits approved by the department for the preceding state fiscal year, listing the amount of credits approved from each service center. Within thirty (30) days following receipt of the department's notice, the state board shall direct each service center to remit to the department the entire amount of credits specified in the department's notice and attributable to the service center. Each service center shall remit the payment required under this section to the department within thirty (30) days after receipt of the state board notice.

(b) If a service center determines within thirty (30) days of receipt of a unit of computer equipment that the equipment is defective or otherwise fails to meet the minimum standards for qualified computer

equipment, the service center may refuse to issue a tax credit certification under section 10 of this chapter. If the service center elects not to issue a tax credit certification for a particular unit of computer equipment, the service center shall promptly notify the donor of the equipment and allow the donor thirty (30) days to retrieve the equipment. Upon the expiration of the thirty (30) day period, the service center may retain the equipment for any purpose.
As added by P.L.43-1992, SEC.11.

IC 6-3.1-15-12
Sale of equipment

Sec. 12. (a) A service center may sell qualified computer equipment received by taxpayers under this chapter only to the following:

(1) Public or private elementary or secondary schools.

(2) The parent or guardian of a student enrolled in grade 1 through 12 that is enrolled in a school's computer education program.

(b) A service center may sell qualified computer equipment under this chapter to schools, parents, or guardians located outside the service center's normal service area, but not outside Indiana.

(c) Before a public or private elementary school may purchase qualified computer equipment from a service center, the school must submit a statement to the service center detailing the following:

(1) The school's computer education program or planned computer education program.

(2) The school's planned use of the qualified computer equipment, including the goals of the plan, the implementation of the plan, and the number of students that will be served with the qualified computer equipment.

(d) A school that purchases qualified computer equipment from a service center may sell the qualified computer equipment to a parent or guardian of a child who is enrolled in the school's computer education program.

(e) Before a parent or guardian of a student may purchase qualified computer equipment from a service center, the parent or guardian must present proof, in the form approved by the service center, that:

(1) the child of the parent or guardian is a participant in a school's computer education program; and

(2) the qualified computer equipment will be used by the child for an educational purpose.

As added by P.L.43-1992, SEC.11. Amended by P.L.62-1997, SEC.3; P.L.286-2013, SEC.5.

IC 6-3.1-15-13
Price for resale of equipment

Sec. 13. A service center shall establish a price for the resale of qualified computer equipment that equals:

(1) the amount of the service center's payment to the department

under section 11 of this chapter in the preceding year and as anticipated for the current year; and

(2) the service center's actual operating expenses in purchasing, inspecting, testing, refurbishing, and reselling qualified computer equipment under this chapter, including a reasonable allowance for operating overhead.

As added by P.L.43-1992, SEC.11. Amended by P.L.1-1993, SEC.40; P.L.62-1997, SEC.4.

IC 6-3.1-15-14
Projections of anticipated demand for equipment; refusal to issue credit

Sec. 14. (a) Each service center shall develop a two (2) year projection of the anticipated demand for the purchase of qualified computer equipment. Each service center shall submit the service center's projection to the state board by January 10 of each calendar year.

(b) A service center may refuse to issue tax credit certification under section 10 of this chapter when the demand for qualified computer equipment, determined under subsection (a), is equal to or less than the anticipated supply of qualified computer equipment.

As added by P.L.43-1992, SEC.11.

IC 6-3.1-15-15
Notification of schools

Sec. 15. Before July 1 of each year, the state department of education shall notify each school that complies with the minimum instructional days required by IC 20-30-2-3 for the preceding school year that the program created by this chapter exists, including how the school may participate in the program.

As added by P.L.43-1992, SEC.11. Amended by P.L.1-2005, SEC.98.

IC 6-3.1-15-16
Rules

Sec. 16. The state board shall adopt rules under IC 4-22-2 to implement this chapter, including rules that:

(1) assure equitable allocation and nondiscrimination in the distribution of qualified computer equipment to authorized purchasers under section 12(a) of this chapter;

(2) require inter-regional cooperation among the service centers in complying with this chapter; and

(3) provide for annual audits of the service centers by the state board to determine compliance with this chapter.

As added by P.L.43-1992, SEC.11.

IC 6-3.1-15-17
Annual reports

Sec. 17. The state board shall perform an annual review of the program implemented by this chapter and before September 1 of each year file an annual report with the budget committee for review by

the budget committee and approval of the budget agency. The report must include the following:

(1) A listing of the schools that participated in the program including the school's location, whether the school is a private or public school, and a description of the demographics of the students of each school.

(2) The board's opinion regarding the success of the program.

(3) The amount of tax credits granted to donors.

As added by P.L.43-1992, SEC.11. Amended by P.L.62-1997, SEC.5; P.L.286-2013, SEC.6.

IC 6-3.1-16

Chapter 16. Historic Rehabilitation Credit

IC 6-3.1-16-1 Version a

Definitions

Note: This version of section effective until 1-1-2015. See also following repeal of this section, effective 1-1-2015.

Sec. 1. The definitions set forth in:

(1) IC 14-8-2 that apply to IC 14-21-1; and

(2) IC 14-21-1;

apply throughout this chapter.

As added by P.L.77-1993, SEC.1. Amended by P.L.1-1995, SEC.49.

IC 6-3.1-16-1 Version b

Repealed

(Repealed by P.L.166-2014, SEC.14.)

Note: This repeal of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

IC 6-3.1-16-2 Version a

"Division"

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 2. As used in this chapter, "division" means the division of historic preservation and archaeology of the department of natural resources.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-2 Version b

"Office"

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 2. As used in this chapter, "office" means the office of community and rural affairs established by IC 4-4-9.7-4.

As added by P.L.77-1993, SEC.1. Amended by P.L.166-2014, SEC.15.

IC 6-3.1-16-2.7

"Pass through entity"

Sec. 2.7. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.57-1996, SEC.4.

IC 6-3.1-16-3

"Preservation"

Sec. 3. (a) As used in this chapter, "preservation" means the

application of measures to sustain the form, integrity, and material of:

(1) a building or structure; or

(2) the form and vegetative cover of property.

(b) The term includes stabilization work and the maintenance of historic building materials.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-4

"Qualified expenditures"

Sec. 4. (a) As used in this chapter, "qualified expenditures" means expenditures for preservation or rehabilitation that are chargeable to a capital account.

(b) The term does not include costs that are incurred to do the following:

(1) Acquire a property or an interest in a property.

(2) Pay taxes due on a property.

(3) Enlarge an existing structure.

(4) Pay realtor's fees associated with a structure or property.

(5) Pay paving and landscaping costs.

(6) Pay sales and marketing costs.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-5

"Rehabilitation"

Sec. 5. As used in this chapter, "rehabilitation" means the process of returning a property to a state of utility through repair or alteration that makes possible an efficient contemporary use while preserving the parts or features of the property that are significant to the historical, architectural, or archeological values of the property.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-6

"State tax liability"

Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax), as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.77-1993, SEC.1. Amended by P.L.192-2002(ss), SEC.108.

IC 6-3.1-16-6.1

"Taxpayer"

Sec. 6.1. As used in this chapter, "taxpayer" means an individual, a corporation, an S corporation, a partnership, a limited liability company, a limited liability partnership, a nonprofit organization, or a joint venture.

As added by P.L.54-1997, SEC.2.

IC 6-3.1-16-7 Version a

Credit; amount; married couple filing separate returns

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 7. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 8 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of historic property; and

(2) are approved by the division.

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-7 Version b

Credit; amount; married couple filing separate returns

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 7. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 8 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of historic property; and

(2) are approved by the office.

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

As added by P.L.77-1993, SEC.1. Amended by P.L.166-2014, SEC.16.

IC 6-3.1-16-7.5

Credit; pass through entity

Sec. 7.5. (a) If a pass through entity is entitled to a credit under section 7 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same qualified expenditure.

As added by P.L.57-1996, SEC.5. Amended by P.L.54-1997, SEC.3.

IC 6-3.1-16-8 Version a

Qualifying conditions

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 8. A taxpayer qualifies for a credit under section 7 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 7(c) of this chapter, owned by the taxpayer.

(2) The division certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The division certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the division that complies with the standards of the division.

(4) The division certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is:

(A) actively used in a trade or business;

(B) held for the production of income; or

(C) held for the rental or other use in the ordinary course of the taxpayer's trade or business.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

As added by P.L.77-1993, SEC.1. Amended by P.L.54-1997, SEC.4.

IC 6-3.1-16-8 Version b

Qualifying conditions; assistance to office by department of natural resources

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 8. (a) A taxpayer qualifies for a credit under section 7 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 7(c) of this chapter, owned by the taxpayer.

(2) The office certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The office certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the office that complies with the standards of the office.

(4) The office certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is:

(A) actively used in a trade or business;

(B) held for the production of income; or

(C) held for the rental or other use in the ordinary course of the taxpayer's trade or business.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

(b) The division of historic preservation and archaeology of the department of natural resources shall assist the office, as requested and at no expense to the office, in making the certifications under this section.

As added by P.L.77-1993, SEC.1. Amended by P.L.54-1997, SEC.4; P.L.166-2014, SEC.17.

IC 6-3.1-16-9 Version a

Certifications; conditions; appeal

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 9. (a) The division shall provide the certifications referred to in section 8(3) and 8(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the division and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a decision by the division under this

chapter to the review board.
As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-9 Version b
Certifications; conditions; appeal

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 9. (a) The office shall provide the certifications referred to in section 8(3) and 8(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the office and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a final determination by the office under this chapter to the tax court.
As added by P.L.77-1993, SEC.1. Amended by P.L.166-2014, SEC.18.

IC 6-3.1-16-10 Version a
Claim procedure

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 10. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the division required under section 8 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.
As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-10 Version b
Claim procedure

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 10. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the office required under section 8 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.
As added by P.L.77-1993, SEC.1. Amended by P.L.166-2014, SEC.19.

IC 6-3.1-16-11
Adjusted basis reduction

Sec. 11. For purposes of IC 6-3, the adjusted basis of:

(1) the structure, if the historic property is a structure; or

(2) the entire property, if the historic property is not a structure;

shall be reduced by the amount of a credit granted under this chapter.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-12 Version a
Recapture

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 12. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the division.

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-12 Version b
Recapture

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 12. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the office.

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

As added by P.L.77-1993, SEC.1. Amended by P.L.166-2014, SEC.20.

IC 6-3.1-16-13
Carryover; unused credit

Sec. 13. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the

immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

As added by P.L.77-1993, SEC.1. Amended by P.L.192-2002(ss), SEC.109.

IC 6-3.1-16-14
Annual limit

Sec. 14. The amount of tax credits allowed under this chapter may not exceed:

(1) seven hundred fifty thousand dollars ($750,000) in the state fiscal year beginning July 1, 1997, and the state fiscal year beginning July 1, 1998; and

(2) four hundred fifty thousand dollars ($450,000) in a state fiscal year that begins July 1, 1999, or thereafter.

As added by P.L.77-1993, SEC.1. Amended by P.L.54-1997, SEC.5.

IC 6-3.1-16-15 Version a
Rules

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 15. The following may adopt rules under IC 4-22-2 to carry out this chapter:

(1) The department of state revenue.

(2) The division.

As added by P.L.77-1993, SEC.1.

IC 6-3.1-16-15 Version b
Rules

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 15. (a) The following may adopt rules under IC 4-22-2 to carry out this chapter:

(1) The department of state revenue.

(2) The office.

(b) The rules in 312 IAC 23 are transferred to the office, and after December 31, 2014, those rules are treated as if they had been adopted by the office.

As added by P.L.77-1993, SEC.1. Amended by P.L.166-2014, SEC.21.

IC 6-3.1-17 Version a

Chapter 17. Indiana Riverboat Building Credit

Note: This version of chapter effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

IC 6-3.1-17-1 Version a

"Qualified investment"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 1. As used in this chapter, "qualified investment" means costs incurred to build or refurbish a riverboat in Indiana that are approved by the Indiana economic development corporation under section 7 of this chapter.

As added by P.L.19-1994, SEC.10. Amended by P.L.4-2005, SEC.91.

IC 6-3.1-17-2 Version a

"Riverboat"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 2. As used in this chapter, "riverboat" has the meaning set forth in IC 4-33-2-17.

As added by P.L.19-1994, SEC.10.

IC 6-3.1-17-3 Version a

"State tax liability"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 27-1-18-2 (the insurance premiums tax);
(3) IC 6-5.5 (the financial institutions tax); and
(4) IC 6-2.5 (the state gross retail and use tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.19-1994, SEC.10. Amended by P.L.192-2002(ss), SEC.110.

IC 6-3.1-17-4 Version a

"Taxpayer"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 4. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

As added by P.L.19-1994, SEC.10.

IC 6-3.1-17-5 Version a

Entitlement to and amount of credit

Note: This version of section effective until 1-1-2015. See also

following repeal of this chapter, effective 1-1-2015.

Sec. 5. (a) A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment in that taxable year.

(b) The amount of the credit to which a taxpayer is entitled is equal to fifteen percent (15%) multiplied by the qualified investment made by the taxpayer during the taxable year.

As added by P.L.19-1994, SEC.10.

IC 6-3.1-17-6 Version a
Carryover of credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 6. (a) If the amount determined under section 5(b) of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

As added by P.L.19-1994, SEC.10.

IC 6-3.1-17-7 Version a
Determination of qualified investment

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 7. (a) To be entitled to a credit under this chapter, a taxpayer must request the Indiana economic development corporation to determine whether costs incurred to build or refurbish a riverboat are qualified investments.

(b) The request under subsection (a) must be made before the costs are incurred.

(c) The Indiana economic development corporation shall find that costs are a qualified investment to the extent that the costs result:

(1) from work performed in Indiana to build or refurbish a riverboat; and

(2) in taxable income to any other Indiana taxpayer;

as determined under the standards adopted by the Indiana economic development corporation.

As added by P.L.19-1994, SEC.10. Amended by P.L.4-2005, SEC.92.

IC 6-3.1-17-8 Version a
Claim for credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 8. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit

to the department the certification of credit by the Indiana economic development corporation, proof of payment of the certified qualified investment, and all information that the department determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an investment cost is a qualified investment cost.
As added by P.L.19-1994, SEC.10. Amended by P.L.4-2005, SEC.93.

IC 6-3.1-17-9 Version a
Aggregate monetary limitation on credits

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 9. (a) The amount of tax credits allowed under this chapter may not exceed one million dollars ($1,000,000) in a state fiscal year.

(b) The department shall record the time of filing of each application for allowance of a credit under section 8 of this chapter and shall approve the applications, if they otherwise qualify for a tax credit under this chapter, in the chronological order in which the applications are filed in the state fiscal year.

(c) When the total credits approved under this section equal the maximum amount allowable in a state fiscal year, no application thereafter filed for that same fiscal year shall be approved. However, if an applicant for whom a credit has been approved fails to file the statement of proof of payment required under section 8 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.
As added by P.L.19-1994, SEC.10.

IC 6-3.1-17 Version b
Repealed

(Repealed by P.L.190-2014, SEC.17.)

Note: This repeal of chapter effective 1-1-2015. See also preceding version of this chapter, effective until 1-1-2015.

IC 6-3.1-18

Chapter 18. Individual Development Account Tax Credit

IC 6-3.1-18-1

"Community development corporation"

Sec. 1. As used in this chapter, "community development corporation" has the meaning set forth in IC 4-4-28-2.

As added by P.L.15-1997, SEC.2.

IC 6-3.1-18-2

"Fund"

Sec. 2. As used in this chapter, "fund" refers to an individual development account fund established by a community development corporation under IC 4-4-28-13.

As added by P.L.15-1997, SEC.2.

IC 6-3.1-18-3

"Individual development account"

Sec. 3. As used in this chapter, "individual development account" has the meaning set forth in IC 4-4-28-5.

As added by P.L.15-1997, SEC.2.

IC 6-3.1-18-4

"Pass through entity"

Sec. 4. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.15-1997, SEC.2.

IC 6-3.1-18-5

"State tax liability"

Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and

(2) IC 6-5.5 (the financial institutions tax);

as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.15-1997, SEC.2. Amended by P.L.192-2002(ss), SEC.111.

IC 6-3.1-18-6

Credit; amount; calculation; application

Sec. 6. (a) Subject to the limitations provided in subsection (b) and sections 7, 8, 9, 10, and 11 of this chapter, the department shall grant a tax credit against any state tax liability due equal to fifty percent

(50%) of the amount contributed by a person or an individual to a fund if the contribution is not less than one hundred dollars ($100) and not more than fifty thousand dollars ($50,000).

(b) The credit provided by this chapter shall only be applied against any state tax liability owed by the taxpayer after the application of any credits that under IC 6-3.1-1-2 must be applied before the credit provided by this chapter.

As added by P.L.15-1997, SEC.2. Amended by P.L.4-1999, SEC.4; P.L.192-2002(ss), SEC.112.

IC 6-3.1-18-7

Application of tax credit to pass through entities; calculation

Sec. 7. If a pass through entity is entitled to a credit under section 6 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

As added by P.L.15-1997, SEC.2.

IC 6-3.1-18-8

Credit supplement; other credits

Sec. 8. The credit provided under section 7 of this chapter is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under IC 6-3, this article, or IC 6-5.5. However, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same qualified expenditure.

As added by P.L.15-1997, SEC.2. Amended by P.L.1-2003, SEC.38; P.L.269-2003, SEC.10.

IC 6-3.1-18-9

Application for tax credit; proof of payment

Sec. 9. (a) A person that or an individual who desires to claim a tax credit as provided in this chapter shall file with the department, in the form approved by the department, an application stating the amount of the contribution that the person or individual proposes to make that would qualify for a tax credit and the amount sought to be claimed as a credit.

(b) The department shall promptly notify an applicant whether, or the extent to which, the tax credit is allowable in the state fiscal year in which the application is filed, as provided in section 6 of this chapter. If the credit is allowable in that state fiscal year, the applicant shall within thirty (30) days after receipt of the notice file with the department a statement, in the form and accompanied by the proof of payment as the department may prescribe, setting forth that the amount to be claimed as a credit under this chapter has been paid to a fund as provided in section 6 of this chapter.

(c) The department may disallow any credit claimed under this chapter for which the statement or proof of payment is not filed within the thirty (30) day period.
As added by P.L.15-1997, SEC.2.

IC 6-3.1-18-10
Amount of tax credits allowed

Sec. 10. (a) The amount of tax credits allowed under this chapter may not exceed two hundred thousand dollars ($200,000) in any state fiscal year.

(b) The department shall:

(1) record the time of filing of each application for allowance of a credit required under section 9 of this chapter; and

(2) approve the applications, if they otherwise qualify for a tax credit under this chapter, in the chronological order in which the applications are filed in the state fiscal year.

(c) When the total credits approved under this section equal the maximum amount allowable in any state fiscal year, an application filed after that time for the same fiscal year may not be approved. However, if an applicant for whom a credit has been approved fails to file the statement of proof of payment required under section 9 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.
As added by P.L.15-1997, SEC.2. Amended by P.L.289-2001, SEC.14.

IC 6-3.1-18-11
Tax credit available only in year paid

Sec. 11. A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid.
As added by P.L.15-1997, SEC.2.

IC 6-3.1-19

Chapter 19. Community Revitalization Enhancement District Tax Credit

IC 6-3.1-19-1

"State and local tax liability"

Sec. 1. As used in this chapter, "state and local tax liability" means a taxpayer's total tax liability incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 6-3.5-1.1 (county adjusted gross income tax);
(3) IC 6-3.5-6 (county option income tax);
(4) IC 6-3.5-7 (county economic development income tax);
(5) IC 6-5.5 (the financial institutions tax); and
(6) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.125-1998, SEC.3. Amended by P.L.192-2002(ss), SEC.113.

IC 6-3.1-19-1.5

"Pass through entity"

Sec. 1.5. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) a partnership;
(3) a limited liability company; or
(4) a limited liability partnership.

As added by P.L.224-2003, SEC.194.

IC 6-3.1-19-2

"Qualified investment"

Sec. 2. As used in this chapter, "qualified investment" means the amount of a taxpayer's expenditures that is:

(1) for redevelopment or rehabilitation of property located within a community revitalization enhancement district designated under IC 36-7-13;
(2) made under a plan adopted by an advisory commission on industrial development under IC 36-7-13; and
(3) approved by the Indiana economic development corporation before the expenditure is made.

As added by P.L.125-1998, SEC.3. Amended by P.L.4-2005, SEC.94.

IC 6-3.1-19-2.5

"Taxpayer"

Sec. 2.5. As used in this chapter, "taxpayer" means an individual or entity that has any state and local tax liability.

As added by P.L.224-2003, SEC.195.

IC 6-3.1-19-3

Entitlement to credit; amount; assignment

Sec. 3. (a) Except as provided in section 5 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state and local tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by twenty-five percent (25%).

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of property redeveloped or rehabilitated under section 2 of this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department. The taxpayer may not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

(e) If a pass through entity is entitled to a credit under this chapter but does not have state and local tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and an individual who is a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same investment.

(f) A taxpayer that is otherwise entitled to a credit under this chapter for a taxable year may claim the credit regardless of whether any income tax incremental amount or gross retail incremental amount has been:

(1) deposited in the incremental tax financing fund established for the community revitalization enhancement district; or

(2) allocated to the district.

As added by P.L.125-1998, SEC.3. Amended by P.L.224-2003, SEC.196; P.L.81-2004, SEC.29 and P.L.90-2004, SEC.1; P.L.113-2010, SEC.59; P.L.172-2011, SEC.64.

IC 6-3.1-19-4

Credit carryover; carryback or refund unavailable

Sec. 4. If the amount of the credit determined under section 3 of this chapter for a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the immediately following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the

carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or refund of any unused credit.
As added by P.L.125-1998, SEC.3.

IC 6-3.1-19-5
Ineligibility for credit to extent of reduction or cessation of operations in Indiana; eligibility determinations; criteria; appeals

Sec. 5. (a) A taxpayer is not entitled to claim the credit provided by this chapter to the extent that the taxpayer substantially reduces or ceases its operations in Indiana in order to relocate them within the district. Determinations under this section shall be made by the department. The department shall adopt a proposed order concerning a taxpayer's eligibility for the credit based on subsection (b) and the following criteria:

(1) A site-specific economic activity, including sales, leasing, service, manufacturing, production, storage of inventory, or any activity involving permanent full-time or part-time employees, shall be considered a business operation.

(2) With respect to an operation located outside the district (referred to in this section as a "nondistrict operation"), any of the following that occurs during the twelve (12) months before the completion of the physical relocation of all or part of the activity described in subdivision (1) from the nondistrict operation to the district as compared with the twelve (12) months before that twelve (12) months shall be considered a substantial reduction:

(A) A reduction in the average number of full-time or part-time employees of the lesser of one hundred (100) employees or twenty-five percent (25%) of all employees.

(B) A twenty-five percent (25%) reduction in the average number of goods manufactured or produced.

(C) A twenty-five percent (25%) reduction in the average value of services provided.

(D) A ten percent (10%) reduction in the average value of stored inventory.

(E) A twenty-five percent (25%) reduction in the average amount of gross income.

(b) Notwithstanding subsection (a), a taxpayer that would otherwise be disqualified under subsection (a) is eligible for the credit provided by this chapter if the taxpayer meets at least one (1) of the following conditions:

(1) The taxpayer relocates all or part of its nondistrict operation for any of the following reasons:

(A) The lease on property necessary for the nondistrict operation has been involuntarily lost through no fault of the taxpayer.

(B) The space available at the location of the nondistrict operation cannot accommodate planned expansion needed by the taxpayer.

(C) The building for the nondistrict operation has been certified as uninhabitable by a state or local building authority.

(D) The building for the nondistrict operation has been totally destroyed through no fault of the taxpayer.

(E) The renovation and construction costs at the location of the nondistrict operation are more than one and one-half (1 1/2) times the costs of purchase, renovation, and construction of a facility in the district, as certified by three (3) independent estimates.

(F) The taxpayer had existing operations in the district and the nondistrict operations relocated to the district are an expansion of the taxpayer's operations in the district.

A taxpayer is eligible for benefits and incentives under clause (C) or (D) only if renovation and construction costs at the location of the nondistrict operation are more than one and one-half (1 1/2) times the cost of purchase, renovation, and construction of a facility in the district. These costs must be certified by three (3) independent estimates.

(2) The taxpayer has not terminated or reduced the pension or health insurance obligations payable to employees or former employees of the nondistrict operation without the consent of the employees.

(c) The department shall cause to be delivered to the taxpayer and to any person who testified before the department in favor of disqualification of the taxpayer a copy of the department's proposed order. The taxpayer and these persons shall be considered parties for purposes of this section.

(d) A party who wishes to appeal the proposed order of the department shall, within ten (10) days after the party's receipt of the proposed order, file written objections with the department. The department shall immediately forward copies of the objections to the director of the budget agency and the board of the Indiana economic development corporation. A hearing panel composed of the commissioner of the department or the commissioner's designee, the director of the budget agency or the director's designee, and the president of the Indiana economic development corporation or the president's designee shall set the objections for oral argument and give notice to the parties. A party at its own expense may cause to be filed with the hearing panel a transcript of the oral testimony or any other part of the record of the proceedings. The oral argument shall be on the record filed with the hearing panel. The hearing panel may hear additional evidence or remand the action to the department with instructions appropriate to the expeditious and proper disposition of the action. The hearing panel may adopt the proposed order of the department, may amend or modify the proposed order, or may make such order or determination as is proper on the record. The affirmative votes of at least two (2) members of the hearing panel are required for the hearing panel to take action on any measure. The taxpayer may appeal the decision of the hearing panel to the tax court

in the same manner that a final determination of the department may be appealed under IC 33-26.

(e) If no objections are filed, the department may adopt the proposed order without oral argument.

(f) A determination that a taxpayer is not entitled to the credit provided by this chapter as a result of a substantial reduction or cessation of operations applies to credits that would otherwise arise in the taxable year in which the substantial reduction or cessation occurs and in all subsequent years.

As added by P.L.125-1998, SEC.3. Amended by P.L.81-2004, SEC.30 and P.L.90-2004, SEC.2; P.L.4-2005, SEC.95.

IC 6-3.1-19-5.5
Repealed

(Repealed by P.L.172-2011, SEC.162.)

IC 6-3.1-19-6
Method of claiming credit; submission of information

Sec. 6. To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department determines is necessary for the calculation of the credit provided by this chapter and for the determination of whether an expenditure was for a qualified investment.

As added by P.L.125-1998, SEC.3.

IC 6-3.1-20

Chapter 20. Income Tax Credit for Property Taxes Paid on Homesteads

IC 6-3.1-20-1 Version a

"Earned income"

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 1. As used in this chapter, "earned income" means the sum of the:

(1) wages, salaries, tips, and other employee compensation; and

(2) net earnings from self-employment (as computed under Section 32(c)(2) of the Internal Revenue Code);

of an individual taxpayer, and the individual's spouse, if the individual files a joint adjusted gross income tax return.

As added by P.L.151-2001, SEC.5.

IC 6-3.1-20-1 Version b

"Indiana income"

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 1. As used in this chapter, "Indiana income" means the adjusted gross income of an individual taxpayer, and the individual's spouse, if the individual files a joint adjusted gross income tax return.

As added by P.L.151-2001, SEC.5. Amended by P.L.166-2014, SEC.22.

IC 6-3.1-20-2

"Homestead"

Sec. 2. As used in this chapter, "homestead" has the meaning set forth in IC 6-1.1-12-37.

As added by P.L.151-2001, SEC.5. Amended by P.L.1-2009, SEC.51.

IC 6-3.1-20-3

"State income tax liability"

Sec. 3. As used in this chapter, "state income tax liability" means an individual's adjusted gross income tax liability under IC 6-3.

As added by P.L.151-2001, SEC.5.

IC 6-3.1-20-4 Version a

Entitlement to credit

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:

(1) the individual's earned income for the taxable year is less than eighteen thousand six hundred dollars ($18,600); and

(2) the individual pays property taxes in the taxable year on a homestead that:

(A) the individual:

(i) owns; or
(ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and
(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

As added by P.L.151-2001, SEC.5. Amended by P.L.6-2012, SEC.53; P.L.13-2013, SEC.22.

IC 6-3.1-20-4 Version b
Entitlement to credit

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:
(1) the individual's Indiana income for the taxable year is less than eighteen thousand six hundred dollars ($18,600); and
(2) the individual pays property taxes in the taxable year on a homestead that:
(A) the individual:
(i) owns; or
(ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and
(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

As added by P.L.151-2001, SEC.5. Amended by P.L.6-2012, SEC.53; P.L.13-2013, SEC.22; P.L.166-2014, SEC.23.

IC 6-3.1-20-5 Version a
Amount of credit

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in the amount determined under this section.

(b) In the case of an individual with earned income of less than eighteen thousand dollars ($18,000) for the taxable year, the amount

of the credit is equal to the lesser of:

(1) three hundred dollars ($300); or

(2) the amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(c) In the case of an individual with earned income that is at least eighteen thousand dollars ($18,000) but less than eighteen thousand six hundred dollars ($18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

(1) An amount determined under the following STEPS:

STEP ONE: Determine the result of:

(i) eighteen thousand six hundred dollars ($18,600); minus

(ii) the individual's earned income for the taxable year.

STEP TWO: Determine the result of:

(i) the STEP ONE amount; multiplied by

(ii) five-tenths (0.5).

(2) The amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be refunded to the taxpayer.

As added by P.L.151-2001, SEC.5. Amended by P.L.1-2002, SEC.31.

IC 6-3.1-20-5 Version b

Amount of credit

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in the amount determined under this section.

(b) In the case of an individual with Indiana income of less than eighteen thousand dollars ($18,000) for the taxable year, the amount of the credit is equal to the lesser of:

(1) three hundred dollars ($300); or

(2) the amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(c) In the case of an individual with Indiana income that is at least eighteen thousand dollars ($18,000) but less than eighteen thousand six hundred dollars ($18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

(1) An amount determined under the following STEPS:

STEP ONE: Determine the result of:

(i) eighteen thousand six hundred dollars ($18,600); minus

(ii) the individual's Indiana income for the taxable year.

STEP TWO: Determine the result of:

(i) the STEP ONE amount; multiplied by

(ii) five-tenths (0.5).

(2) The amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be

refunded to the taxpayer.
As added by P.L.151-2001, SEC.5. Amended by P.L.1-2002, SEC.31; P.L.166-2014, SEC.24.

IC 6-3.1-20-6
Filing with department required

Sec. 6. To obtain the credit provided by this chapter, an individual must file with the department information concerning the property taxes paid on the individual's homestead and any other information required by the department.
As added by P.L.151-2001, SEC.5.

IC 6-3.1-20-7 Version a
Amount of credits determined by department and deposited in state general fund

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 7. (a) The department shall before July 1 of each year determine the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(b) One-half (1/2) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable to the county under IC 4-33-12-6(d)(2); and

(2) paid instead to the state general fund.

(c) One-sixth (1/6) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable under IC 4-33-12-6(d)(1) to each of the following:

(A) The largest city by population located in the county.

(B) The second largest city by population located in the county.

(C) The third largest city by population located in the county; and

(2) paid instead to the state general fund.

As added by P.L.151-2001, SEC.5. Amended by P.L.178-2002, SEC.51.

IC 6-3.1-20-7 Version b
Amount of credits determined by department and deposited in state general fund; transfers to northwest Indiana regional development authority

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 7. (a) The department shall before July 1 of each year determine the greater of:

(1) eight million five hundred thousand dollars ($8,500,000); or

(2) the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(b) Except as provided in subsection (d), one-half (1/2) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable to the county under IC 4-33-12-6(d)(2); and

(2) paid instead to the state general fund.

(c) Except as provided in subsection (d), one-sixth (1/6) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable under IC 4-33-12-6(d)(1) to each of the following:

(A) The largest city by population located in the county.

(B) The second largest city by population located in the county.

(C) The third largest city by population located in the county; and

(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection (a)(2) is less than eight million five hundred thousand dollars ($8,500,000), the difference of:

(1) eight million five hundred thousand dollars ($8,500,000); minus

(2) the amount determined by the department under subsection (a)(2);

shall be paid to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund. Any amounts paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.

As added by P.L.151-2001, SEC.5. Amended by P.L.178-2002, SEC.51; P.L.166-2014, SEC.25.

IC 6-3.1-21

Chapter 21. Earned Income Tax Credit

IC 6-3.1-21-1

Creation of credit

Sec. 1. This chapter creates the Indiana earned income tax credit.
As added by P.L.273-1999, SEC.227.

IC 6-3.1-21-2

Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-21-3

Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-21-4

Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-21-5

Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-21-6

Credit; amount; calculation; eligible persons

Sec. 6. (a) Except as provided by subsection (b), an individual who is eligible for an earned income tax credit under Section 32 of the Internal Revenue Code, as it existed before being amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312), is eligible for a credit under this chapter equal to nine percent (9%) of the amount of the federal earned income tax credit that the individual:

(1) is eligible to receive in the taxable year; and

(2) claimed for the taxable year;

under Section 32 of the Internal Revenue Code as it existed before being amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312).

(b) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the amount of the credit is equal to the product of:

(1) the amount determined under subsection (a); multiplied by

(2) the quotient of the taxpayer's income taxable in Indiana divided by the taxpayer's total income.

(c) If the credit amount exceeds the taxpayer's adjusted gross income tax liability for the taxable year, the excess, less any advance payments of the credit made by the taxpayer's employer under IC 6-3-4-8 that reduce the excess, shall be refunded to the taxpayer.
As added by P.L.273-1999, SEC.227. Amended by P.L.192-2002(ss), SEC.114; P.L.131-2008, SEC.17; P.L.146-2008, SEC.325;

P.L.1-2009, SEC.52; P.L.229-2011, SEC.87.

IC 6-3.1-21-7
Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-21-8
Claim for credit on return; submission of information

Sec. 8. To obtain a credit under this chapter, a taxpayer must claim the advance payment or credit in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

As added by P.L.273-1999, SEC.227. Amended by P.L.192-2002(ss), SEC.115; P.L.172-2011, SEC.65.

IC 6-3.1-21-9
Application of credit to TANF

Sec. 9. (a) The division of family resources shall apply the refundable portion of the credits provided under this chapter as expenditures toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 265).

(b) The department of state revenue shall collect and provide the data requested by the division of family resources that is necessary to comply with this section.

As added by P.L.273-1999, SEC.227. Amended by P.L.145-2006, SEC.17; P.L.1-2009, SEC.53.

IC 6-3.1-21-10
Repealed

(Repealed by P.L.146-2008, SEC.817.)

IC 6-3.1-22

Chapter 22. Residential Historic Rehabilitation Credit

IC 6-3.1-22-1 Version a

Applicability of definitions

Note: This version of section effective until 1-1-2015. See also following repeal of this section, effective 1-1-2015.

Sec. 1. The definitions set forth in:

(1) IC 14-8-2 that apply to IC 14-21-1; and

(2) IC 14-21-1;

apply throughout this chapter.

As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-1 Version b

Repealed

(Repealed by P.L.166-2014, SEC.26.)

Note: This repeal of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

IC 6-3.1-22-2 Version a

"Division"

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 2. As used in this chapter, "division" means the division of historic preservation and archeology of the department of natural resources.

As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-2 Version b

"Office"

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 2. As used in this chapter, "office" means the office of community and rural affairs established by IC 4-4-9.7-4.

As added by P.L.129-2001, SEC.7. Amended by P.L.166-2014, SEC.27.

IC 6-3.1-22-3

"Preservation"

Sec. 3. (a) As used in this chapter, "preservation" means the application of measures to sustain the form, integrity, and material of:

(1) a building or structure; or

(2) the form and vegetative cover of property.

(b) The term includes stabilization work and the maintenance of historic building materials.

As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-4

"Qualified expenditures"

Sec. 4. (a) As used in this chapter, "qualified expenditures" means

expenditures for preservation or rehabilitation of a structure that enables the structure to be principally used and occupied by the taxpayer as the taxpayer's residence.

(b) The term does not include costs that are incurred to do the following:

(1) Acquire a property or an interest in a property.
(2) Pay taxes due on a property.
(3) Enlarge an existing structure.
(4) Pay realtors' fees associated with a structure or property.
(5) Pay paving and landscaping costs.
(6) Pay sales and marketing costs.

As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-5
"Rehabilitation"

Sec. 5. As used in this chapter, "rehabilitation" means the process of returning a property to a state of utility through repair or alteration that makes possible an efficient contemporary residential use while preserving the parts or features of the property that are significant to the historical, architectural, or archeological values of the property.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-6
"State tax liability"

Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax) as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-7
"Taxpayer"

Sec. 7. As used in this chapter, "taxpayer" means:

(1) an individual filing a single return; or
(2) a married couple filing a joint return.

As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-8 Version a
Entitlement to credit

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 8. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 9 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of

historic property; and
(2) are approved by the division.
(c) In the case of a husband and wife who:
(1) own and rehabilitate a historic property jointly; and
(2) file separate tax returns;
the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-8 Version b
Entitlement to credit
Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.
Sec. 8. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 9 of this chapter.
(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:
(1) the taxpayer makes for the preservation or rehabilitation of historic property; and
(2) are approved by the office.
(c) In the case of a husband and wife who:
(1) own and rehabilitate a historic property jointly; and
(2) file separate tax returns;
the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.
As added by P.L.129-2001, SEC.7. Amended by P.L.166-2014, SEC.28.

IC 6-3.1-22-9 Version a
Conditions for credit qualification
Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.
Sec. 9. A taxpayer qualifies for a credit under section 8 of this chapter if all of the following conditions are met:
(1) The historic property is:
(A) located in Indiana;
(B) at least fifty (50) years old; and
(C) except as provided in section 8(c) of this chapter, owned by the taxpayer.
(2) The division certifies that the historic property is listed in the register of Indiana historic sites and historic structures.
(3) The division certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the division that complies with the standards of the division.
(4) The division certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is principally used and occupied by the taxpayer as the taxpayer's residence.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-9 Version b

Qualifying conditions; assistance to office by department of natural resources

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 9. (a) A taxpayer qualifies for a credit under section 8 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 8(c) of this chapter, owned by the taxpayer.

(2) The office certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The office certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the office that complies with the standards of the office.

(4) The office certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is principally used and occupied by the taxpayer as the taxpayer's residence.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

(b) The division of historic preservation and archaeology of the department of natural resources shall assist the office, as requested

and at no expense to the office, in making the certifications under this section.
As added by P.L.129-2001, SEC.7. Amended by P.L.166-2014, SEC.29.

IC 6-3.1-22-10 Version a
Certifications for rehabilitation work

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 10. (a) The division shall provide the certifications referred to in section 9(3) and 9(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the division and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a decision by the division under this chapter to the review board.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-10 Version b
Certifications for rehabilitation work

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 10. (a) The office shall provide the certifications referred to in section 9(3) and 9(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the office and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a final determination by the office under this chapter to the tax court.
As added by P.L.129-2001, SEC.7. Amended by P.L.166-2014, SEC.30.

IC 6-3.1-22-11 Version a
Credit claimed on tax return

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 11. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the division required under section 9 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-11 Version b
Credit claimed on tax return

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 11. To obtain a credit under this chapter, a taxpayer must

claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the office required under section 9 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.
As added by P.L.129-2001, SEC.7. Amended by P.L.166-2014, SEC.31.

IC 6-3.1-22-12
Reduction of adjusted basis

Sec. 12. For purposes of IC 6-3, the adjusted basis of the structure shall be reduced by the amount of a credit granted under this chapter.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-13 Version a
Recaptured credit

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 13. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the division.

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-13 Version b
Recaptured credit

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 13. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the office.

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit

is recaptured.
As added by P.L.129-2001, SEC.7. Amended by P.L.166-2014, SEC.32.

IC 6-3.1-22-14
Credit exceeding tax liability

Sec. 14. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-15
Maximum credit

Sec. 15. The amount of tax credits allowed under this chapter may not exceed two hundred fifty thousand dollars ($250,000) in a state fiscal year beginning July 1, 2001, or thereafter.
As added by P.L.129-2001, SEC.7.

IC 6-3.1-22-16
Adoption of rules

Sec. 16. The following may adopt rules under IC 4-22-2 to carry out this chapter:

(1) The department of state revenue.
(2) The division.

As added by P.L.129-2001, SEC.7.

IC 6-3.1-22.2
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-3.1-23 Version a

Chapter 23. Voluntary Remediation Tax Credit

Note: This version of chapter effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

IC 6-3.1-23-1 Version a

"Brownfield"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 1. As used in this chapter, "brownfield" has the meaning set forth in IC 13-11-2-19.3.

As added by P.L.109-2001, SEC.1.

IC 6-3.1-23-1.5 Version a

"Legislative body"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 1.5. As used in this chapter, "legislative body" refers to:

(1) the legislative body of a municipality (as defined in IC 36-1-2-11) in which is located property on which remediation referred to in section 3(1) of this chapter occurs; or

(2) if the property referred to in subdivision (1) is not located in a municipality, the legislative body of the county in which the property is located.

As added by P.L.245-2003, SEC.26.

IC 6-3.1-23-2 Version a

"Pass through entity"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 2. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.109-2001, SEC.1.

IC 6-3.1-23-3 Version a

"Qualified investment"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3. As used in this chapter, "qualified investment" means costs that:

(1) result from work performed in Indiana to conduct a voluntary remediation, whether or not under IC 13-25-5, that involves the remediation of a brownfield;

(2) are not recovered by a taxpayer from another person after the taxpayer has made a good faith effort to recover the costs;

(3) are not paid from state financial assistance;

(4) result in taxable income to any other Indiana taxpayer; and
(5) are approved by the department of environmental management and the Indiana finance authority under section 12 of this chapter.

As added by P.L.109-2001, SEC.1. Amended by P.L.245-2003, SEC.27; P.L.235-2005, SEC.98.

IC 6-3.1-23-3.5 Version a
"State financial assistance"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3.5. As used in this chapter, "state financial assistance" means money received by a taxpayer:

(1) as a direct loan:
  (A) under a state program; or
  (B) of:
    (i) loan proceeds; or
    (ii) grant proceeds;
  received by a political subdivision under a state program; or
(2) as a grant:
  (A) under a state program; or
  (B) of:
    (i) loan proceeds; or
    (ii) grant proceeds;
  received by a political subdivision under a state program.

As added by P.L.245-2003, SEC.28.

IC 6-3.1-23-4 Version a
"State tax liability"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability for a listed tax (as defined in IC 6-8.1-1-1), as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.109-2001, SEC.1. Amended by P.L.192-2002(ss), SEC.118; P.L.208-2005, SEC.3.

IC 6-3.1-23-5 Version a
Taxpayer credit; eligibility; department determination; Indiana finance authority

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 5. (a) A taxpayer is entitled to a credit equal to the amount determined under section 6 of this chapter against the taxpayer's state tax liability for a taxable year if the following requirements are satisfied:

(1) The taxpayer does the following:
  (A) Makes a qualified investment in that taxable year.

(B) Submits the following to the Indiana finance authority:

(i) A description of the taxpayer's proposed redevelopment of the property.

(ii) The sources and amounts of money to be used for the remediation and proposed redevelopment of the property.

(iii) An estimate of the value of the remediation and proposed redevelopment.

(iv) A description documenting any good faith attempts to recover the costs of the environmental damages from liable parties.

(v) Proof of appropriate zoning for the intended reuse.

(vi) A letter supporting the proposed project and redevelopment from the legislative body.

(vii) The documentation described in subsection (b).

(2) The department determines under section 15 of this chapter that the taxpayer's return claiming the credit is filed with the department before the maximum amount of credits allowed under this chapter is met.

(b) The documentation referred to in subsection (a)(1)(B)(vii) consists of information reflecting that the taxpayer:

(1) has never had an ownership interest in an entity that caused or contributed to; and

(2) has not caused or contributed to;

the release or threatened release of a hazardous substance, a contaminant, petroleum, or a petroleum product that is the subject of the remediation.

(c) The Indiana finance authority shall:

(1) determine whether the taxpayer meets the requirements of subsection (a)(1); and

(2) if the taxpayer meets the requirements of subsection (a)(1), certify to the taxpayer that the taxpayer is eligible for the credit allowed under this chapter.

As added by P.L.109-2001, SEC.1. Amended by P.L.245-2003, SEC.29; P.L.208-2005, SEC.4; P.L.235-2005, SEC.99.

IC 6-3.1-23-6 Version a

Amount of credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 6. The amount of the credit allowed under this chapter with respect to each brownfield site is equal to the lesser of:

(1) two hundred thousand dollars ($200,000); or

(2) the sum of:

(A) one hundred percent (100%) multiplied by the first one hundred thousand dollars ($100,000) of qualified investment made by the taxpayer during the taxable year; plus

(B) fifty percent (50%) multiplied by the amount of the qualified investment made by the taxpayer during the taxable year that exceeds one hundred thousand dollars ($100,000).

As added by P.L.109-2001, SEC.1. Amended by P.L.208-2005,

SEC.5.

IC 6-3.1-23-7
Repealed
(Repealed by P.L.245-2003, SEC.35.)

IC 6-3.1-23-8
Repealed
(Repealed by P.L.245-2003, SEC.35.)

IC 6-3.1-23-9
Repealed
(Repealed by P.L.245-2003, SEC.35.)

IC 6-3.1-23-10
Repealed
(Repealed by P.L.245-2003, SEC.35.)

IC 6-3.1-23-11 Version a
Credit carryover and carryback
Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.
Sec. 11. (a) If the amount determined under section 6 of this chapter in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess:
(1) over for not more than the immediately following five (5) taxable years; or
(2) back to the immediately preceding taxable year.
(b) The amount of excess available to be used for carryover under subsection (a)(1) is reduced to the extent it is used for:
(1) a carryover under subsection (a)(1); or
(2) a carryback under subsection (a)(2).
As added by P.L.109-2001, SEC.1. Amended by P.L.245-2003, SEC.30.

IC 6-3.1-23-12 Version a
Certification of qualified investment action; action required by taxpayer
Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.
Sec. 12. (a) To be entitled to a credit under this chapter, a taxpayer must request the department of environmental management and the Indiana finance authority to determine if costs incurred in a voluntary remediation involving a brownfield are qualified investments.
(b) The request under subsection (a) must be made before the costs are incurred.
(c) Upon receipt of a request under subsection (a), the department of environmental management and the Indiana finance authority shall:
(1) examine the costs; and

(2) certify any costs that the department and the authority determine to be a qualified investment.

(d) Upon completion of a voluntary remediation for which costs have been certified as a qualified investment under subsection (c), the taxpayer:

(1) shall notify the department of environmental management; and

(2) shall request from the department of environmental management:

(A) with respect to voluntary remediation conducted under IC 13-25-5, the certificate of completion issued by the commissioner under IC 13-25-5-16 for the voluntary remediation work plan under which the costs certified under subsection (c)(2) were incurred; or

(B) with respect to voluntary remediation not conducted under IC 13-25-5, a certification of the costs incurred for the voluntary remediation that are consistent with the costs certified under subsection (c)(2).

As added by P.L.109-2001, SEC.1. Amended by P.L.245-2003, SEC.31; P.L.208-2005, SEC.6; P.L.235-2005, SEC.100.

IC 6-3.1-23-13 Version a
Credit to be claimed on tax return; submissions to department of state revenue

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 13. (a) To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department of state revenue.

(b) The taxpayer shall submit the following to the department of state revenue:

(1) The certification of the qualified investment by the department of environmental management and the Indiana finance authority under section 12(c) of this chapter.

(2) Either:

(A) an official copy of the certification referred to in section 12(d)(2)(A) of this chapter; or

(B) the certification issued by the department of environmental management in response to a request under section 12(d)(2)(B) of this chapter.

(3) Proof of payment of the certified qualified investment.

(4) The certification received by the taxpayer under section 5(c) of this chapter.

(5) Information that the department determines is necessary for the calculation of the credit provided by this chapter.

As added by P.L.109-2001, SEC.1. Amended by P.L.245-2003, SEC.32; P.L.208-2005, SEC.7; P.L.235-2005, SEC.101.

IC 6-3.1-23-14 Version a
Pass through entities entitled to credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 14. (a) If a pass through entity is entitled to a credit under this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, a partner, or a member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same qualified expenditure.

As added by P.L.109-2001, SEC.1.

IC 6-3.1-23-15 Version a

Maximum amount of credit; source of funding for credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 15. (a) The amount of tax credits allowed under this chapter may not exceed two million dollars ($2,000,000) in a state fiscal year unless the Indiana finance authority determines under subsection (e) that money is available for additional tax credits in a particular state fiscal year. However, if the maximum amount of tax credits allowed under this subsection exceeds the amount available in the subaccount of the environmental remediation revolving loan fund (IC 13-19-5), the maximum amount of tax credits allowed under this subsection is reduced to the amount available.

(b) The department shall record the time of filing of each return claiming a credit under section 13 of this chapter and shall, except as provided in subsection (c), grant the credit to the taxpayer, if the taxpayer otherwise qualifies for a tax credit under this chapter, in the chronological order in which the return is filed in the state fiscal year.

(c) If the total credits approved under this section equal the maximum amount allowable in a state fiscal year, a return claiming the credit filed later in that same fiscal year may not be approved. However, if an applicant for whom a credit has been approved fails to file the information required by section 13 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to the next eligible applicant or applicants until the total amount has been allowed. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

(d) The department of state revenue shall report the total credits granted under this chapter for each state fiscal year to the Indiana finance authority. The Indiana finance authority shall transfer to the state general fund an amount equal to the total credits granted from

the subaccount of the environmental remediation revolving loan fund (IC 13-19-5).

(e) At the end of each state fiscal year, the Indiana finance authority may determine whether money is available in the environmental remediation revolving loan fund (IC 13-19-5) to provide tax credits in excess of the amount set forth in subsection (a) in the subsequent state fiscal year.

(f) Before June 30 of each year, the Indiana finance authority may assess the demand for tax credits under this chapter and determine whether the need for other brownfield activities is greater than the need for tax credits. If the Indiana finance authority determines that the need for other brownfield activities is greater than the need for tax credits, the authority may set aside up to three-fourths (3/4) of the amount of allowable tax credits for the subsequent state fiscal year and use it for other brownfield projects.

(g) Except as provided in subsection (h), the Indiana finance authority may use money set aside under subsection (f) for any permissible purpose.

(h) Money specifically appropriated for tax credits may not be set aside for another use.

As added by P.L.109-2001, SEC.1. Amended by P.L.208-2005, SEC.8; P.L.235-2005, SEC.102.

IC 6-3.1-23-16 Version a

Expiration of credit; carryover after expiration date

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 16. A tax credit may not be allowed under this chapter for a taxable year that begins after December 31, 2007. However, this section does not affect the ability of a taxpayer to carry forward the excess of a tax credit claimed for a taxable year that begins before January 1, 2008, under section 11 of this chapter.

As added by P.L.109-2001, SEC.1. Amended by P.L.245-2003, SEC.33; P.L.208-2005, SEC.9.

IC 6-3.1-23-17 Version a

Guidelines

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 17. The Indiana finance authority, after consulting with the department of environmental management and the budget agency and without complying with IC 4-22-2, may adopt guidelines to govern the administration of this chapter.

As added by P.L.109-2001, SEC.1. Amended by P.L.235-2005, SEC.103.

IC 6-3.1-23 Version b

Chapter 23. Repealed

(Repealed by P.L.190-2014, SEC.18.)

Note: This repeal of chapter effective 1-1-2015. See also

preceding version of this chapter, effective until 1-1-2015.

IC 6-3.1-23.8
Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-3.1-24

Chapter 24. Venture Capital Investment Tax Credit

IC 6-3.1-24-1

"Pass through entity" defined

Sec. 1. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.192-2002(ss), SEC.119.

IC 6-3.1-24-2

"Qualified Indiana business" defined

Sec. 2. As used in this chapter, "qualified Indiana business" means an independently owned and operated business that is certified as a qualified Indiana business by the Indiana economic development corporation under section 7 of this chapter.

As added by P.L.192-2002(ss), SEC.119. Amended by P.L.4-2005, SEC.96.

IC 6-3.1-24-3

"Qualified investment capital" defined

Sec. 3. As used in this chapter, "qualified investment capital" means debt or equity capital that is provided to a qualified Indiana business after December 31, 2003. However, the term does not include debt that:

(1) is provided by a financial institution (as defined in IC 5-13-4-10) after May 15, 2005; and

(2) is secured by a valid mortgage, security agreement, or other agreement or document that establishes a collateral or security position for the financial institution that is senior to all collateral or security interests of other taxpayers that provide debt or equity capital to the qualified Indiana business.

As added by P.L.192-2002(ss), SEC.119. Amended by P.L.193-2005, SEC.16.

IC 6-3.1-24-4

"State tax liability" defined

Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-2.5 (state gross retail and use tax);

(2) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(3) IC 6-5.5 (the financial institutions tax); and

(4) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.192-2002(ss), SEC.119.

IC 6-3.1-24-5
"Taxpayer" defined

Sec. 5. As used in this chapter, "taxpayer" means an individual or entity, including a pass through entity, that has any state tax liability.
As added by P.L.192-2002(ss), SEC.119. Amended by P.L.214-2003, SEC.1.

IC 6-3.1-24-6
Credit; eligibility

Sec. 6. A taxpayer that:

(1) provides qualified investment capital to a qualified Indiana business; and

(2) fulfills the requirements of the Indiana economic development corporation under section 12.5 of this chapter;

is entitled to a credit against the person's state tax liability in a taxable year equal to the amount specified in section 10 of this chapter.
As added by P.L.192-2002(ss), SEC.119. Amended by P.L.214-2003, SEC.2; P.L.4-2005, SEC.97.

IC 6-3.1-24-7
Certification of qualified Indiana business; forms; fee

Sec. 7. (a) The Indiana economic development corporation shall certify that a business is a qualified Indiana business if the corporation determines that the business:

(1) has its headquarters in Indiana;

(2) is primarily focused on professional motor vehicle racing, commercialization of research and development, technology transfers, or the application of new technology, or is determined by the Indiana economic development corporation to have significant potential to:

(A) bring substantial capital into Indiana;

(B) create jobs;

(C) diversify the business base of Indiana; or

(D) significantly promote the purposes of this chapter in any other way;

(3) has had average annual revenues of less than ten million dollars ($10,000,000) in the two (2) years preceding the year in which the business received qualified investment capital from a taxpayer claiming a credit under this chapter;

(4) has:

(A) at least fifty percent (50%) of its employees residing in Indiana; or

(B) at least seventy-five percent (75%) of its assets located in Indiana; and

(5) is not engaged in a business involving:

(A) real estate;

(B) real estate development;

(C) insurance;

(D) professional services provided by an accountant, a lawyer, or a physician;

(E) retail sales, except when the primary purpose of the business is the development or support of electronic commerce using the Internet; or

(F) oil and gas exploration.

(b) A business shall apply to be certified as a qualified Indiana business on a form prescribed by the Indiana economic development corporation.

(c) If a business is certified as a qualified Indiana business under this section, the Indiana economic development corporation shall provide a copy of the certification to the investors in the qualified Indiana business for inclusion in tax filings.

(d) Except as provided in subsection (e), the Indiana economic development corporation may impose an application fee of not more than two hundred dollars ($200).

(e) The Indiana economic development corporation may not impose the application fee authorized by subsection (d) for applications submitted during the period beginning July 1, 2011, and ending June 30, 2013.

As added by P.L.192-2002(ss), SEC.119. Amended by P.L.214-2003, SEC.3; P.L.4-2005, SEC.98; P.L.193-2005, SEC.17; P.L.172-2011, SEC.66.

IC 6-3.1-24-8

Maximum allowable credit; notice to investors

Sec. 8. (a) A certification provided under section 7 of this chapter must include notice to the investors of the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to the qualified Indiana business.

(b) For a calendar year ending before January 1, 2011, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of:

(1) the total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty percent (20%); or

(2) five hundred thousand dollars ($500,000).

(c) For a calendar year beginning after December 31, 2010, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of the following:

(1) The total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty percent (20%).

(2) One million dollars ($1,000,000).

As added by P.L.192-2002(ss), SEC.119. Amended by P.L.172-2011, SEC.67.

IC 6-3.1-24-9

Maximum annual statewide allowance for credits; treatment of credit carryovers; program expiration

Sec. 9. (a) The total amount of tax credits that may be approved by the corporation under this chapter in a particular calendar year for qualified investment capital provided during that calendar year may not exceed twelve million five hundred thousand dollars ($12,500,000). An amount of an unused credit carried over by a taxpayer from a previous calendar year may not be considered in determining the amount of proposed investments that the Indiana economic development corporation may certify under this chapter.

(b) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, 2016. However, this subsection may not be construed to prevent a taxpayer from carrying over to a taxable year beginning after December 31, 2016, an unused tax credit attributable to an investment occurring before January 1, 2017.

As added by P.L.192-2002(ss), SEC.119. Amended by P.L.214-2003, SEC.4; P.L.4-2005, SEC.99; P.L.193-2005, SEC.18; P.L.211-2007, SEC.28; P.L.172-2011, SEC.68; P.L.137-2012, SEC.60; P.L.288-2013, SEC.47.

IC 6-3.1-24-10
Credit; calculation

Sec. 10. Subject to sections 8 and 13 of this chapter, the amount of the credit to which a taxpayer is entitled under section 6 this chapter equals the product of:

(1) twenty percent (20%); multiplied by

(2) the amount of the qualified investment capital provided to a qualified Indiana business by the taxpayer in the taxable year.

As added by P.L.192-2002(ss), SEC.119.

IC 6-3.1-24-11
Pass through entity; eligibility of owners, shareholders, or members for credit

Sec. 11. If a pass through entity is entitled to a credit under section 6 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

As added by P.L.192-2002(ss), SEC.119.

IC 6-3.1-24-12
Carryover; unused tax credit

Sec. 12. If the amount of the credit determined under section 10 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a

taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

As added by P.L.192-2002(ss), SEC.119. Amended by P.L.214-2003, SEC.5; P.L.193-2005, SEC.19.

IC 6-3.1-24-12.5

Certification of investment plan; application; proof of investment within two years

Sec. 12.5. (a) A taxpayer wishing to obtain a credit under this chapter must apply to the Indiana economic development corporation for a certification that the taxpayer's proposed investment plan would qualify for a credit under this chapter.

(b) The application required under subsection (a) must include:

(1) the name and address of the taxpayer;

(2) the name and address of each proposed recipient of the taxpayer's proposed investment;

(3) the amount of the proposed investment;

(4) a copy of the certification issued under section 7 of this chapter that the proposed recipient is a qualified Indiana business; and

(5) any other information required by the Indiana economic development corporation.

(c) If the Indiana economic development corporation determines that:

(1) the proposed investment would qualify the taxpayer for a credit under this chapter; and

(2) the amount of the proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding twelve million five hundred thousand dollars ($12,500,000);

the corporation shall certify the taxpayer's proposed investment plan.

(d) To receive a credit under this chapter, the taxpayer must provide qualified investment capital to a qualified Indiana business according to the taxpayer's certified investment plan within two (2) years after the date on which the Indiana economic development corporation certifies the investment plan.

(e) Upon making the investment required under subsection (d), the taxpayer shall provide proof of the investment to the Indiana economic development corporation.

(f) Upon receiving proof of a taxpayer's investment under subsection (e), the Indiana economic development corporation shall issue the taxpayer a certificate indicating that the taxpayer has fulfilled the requirements of the corporation and that the taxpayer is entitled to a credit under this chapter.

(g) A taxpayer forfeits the right to a tax credit attributable to an investment certified under subsection (c) if the taxpayer fails to make the proposed investment within the period required under subsection (d).

As added by P.L.214-2003, SEC.6. Amended by P.L.4-2005, SEC.100; P.L.193-2005, SEC.20.

IC 6-3.1-24-13
Returns; submission of certificates from Indiana economic development corporation

Sec. 13. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department, along with the taxpayer's state tax return or returns, a copy of the certificate issued by the Indiana economic development corporation to the taxpayer under section 12.5(f) of this chapter and all information that the department determines is necessary for the calculation of the credit provided by this chapter.
As added by P.L.192-2002(ss), SEC.119. Amended by P.L.214-2003, SEC.7; P.L.4-2005, SEC.101.

IC 6-3.1-24-14
Tax credit not considered a security

Sec. 14. A certificate or tax credit issued under this chapter may not be considered to be a security for purposes of IC 23.
As added by P.L.106-2014, SEC.1.

IC 6-3.1-25.2
Repealed

(Repealed by P.L.288-2013, SEC.48.)

IC 6-3.1-26

Chapter 26. Hoosier Business Investment Tax Credit

IC 6-3.1-26-0.3

Legalization of actions taken by Indiana economic development corporation in administration of chapter after February 8, 2005, and before May 11, 2005

Sec. 0.3. The actions taken by the Indiana economic development corporation to administer this chapter, as amended by P.L.4-2005, after February 8, 2005, and before May 11, 2005, are legalized and validated.

As added by P.L.220-2011, SEC.142.

IC 6-3.1-26-1

Repealed

(Repealed by P.L.288-2013, SEC.49.)

IC 6-3.1-26-2

Repealed

(Repealed by P.L.4-2005, SEC.148.)

IC 6-3.1-26-2.5

"Corporation"

Sec. 2.5. As used in this chapter, "corporation" means the Indiana economic development corporation established by IC 5-28-3-1.

As added by P.L.4-2005, SEC.102.

IC 6-3.1-26-3

"Director"

Sec. 3. As used in this chapter, "director" has the meaning set forth in IC 6-3.1-13-3.

As added by P.L.224-2003, SEC.197.

IC 6-3.1-26-4

Repealed

(Repealed by P.L.288-2013, SEC.50.)

IC 6-3.1-26-5

"Highly compensated employee"

Sec. 5. As used in this chapter, "highly compensated employee" has the meaning set forth in Section 414(q) of the Internal Revenue Code.

As added by P.L.224-2003, SEC.197.

IC 6-3.1-26-5.5

"Motion picture or audio production"

Sec. 5.5. As used in this chapter, "motion picture or audio production" means a:

(1) feature length film;

(2) video;

(3) television series;
(4) commercial;
(5) music video or an audio recording; or
(6) corporate production;

for any combination of theatrical, television, or other media viewing or as a television pilot. The term does not include a motion picture that is obscene (as described in IC 35-49-2-1) or television coverage of news or athletic events.

As added by P.L.199-2005, SEC.18.

IC 6-3.1-26-6
"New employee"

Sec. 6. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6.

As added by P.L.224-2003, SEC.197.

IC 6-3.1-26-7
"Pass through entity"

Sec. 7. As used in this chapter, "pass through entity" means a:

(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) partnership;
(3) trust;
(4) limited liability company; or
(5) limited liability partnership.

As added by P.L.224-2003, SEC.197.

IC 6-3.1-26-8
"Qualified investment"

Sec. 8. (a) As used in this chapter, "qualified investment" means the amount of the taxpayer's expenditures in Indiana for:

(1) the purchase of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution equipment;
(2) the purchase of new computers and related equipment;
(3) costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities;
(4) onsite infrastructure improvements;
(5) the construction of new telecommunications, production, manufacturing, fabrication, assembly, extraction, mining, processing, refining, finishing, distribution, transportation, or logistical distribution facilities;
(6) costs associated with retooling existing machinery and equipment;
(7) costs associated with the construction of special purpose buildings and foundations for use in the computer, software, biological sciences, or telecommunications industry;

(8) costs associated with the purchase of machinery, equipment, or special purpose buildings used to make motion pictures or audio productions; and

(9) a logistics investment, as described in section 8.5 of this chapter;

that are certified by the corporation under this chapter as being eligible for the credit under this chapter.

(b) The term does not include property that can be readily moved outside Indiana.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.103; P.L.199-2005, SEC.19; P.L.137-2006, SEC.6; P.L.288-2013, SEC.51.

IC 6-3.1-26-8.5

"Logistics investment"

Sec. 8.5. For purposes of this chapter, a "logistics investment" means an expenditure for one (1) or more of the following purposes:

(1) Making an improvement to real property located in Indiana that is related to constructing a new, or modernizing an existing, transportation or logistical distribution facility.

(2) Improving the transportation of goods on Indiana highways, limited to the following:

(A) Upgrading terminal facilities that serve tractors (as defined in IC 9-13-2-180) and semitrailers (as defined in IC 9-13-2-164).

(B) Improving paved access to terminal facilities.

(C) Adding new maintenance areas.

(D) Purchasing new shop equipment having a useful life of at least five (5) years, such as diagnostic equipment, oil delivery systems, air compressors, and truck lifts.

(3) Improving the transportation of goods by rail, limited to the following:

(A) Upgrading or building mainline, secondary, yard, and spur trackage.

(B) Upgrading or replacing bridges to obtain higher load bearing capability.

(C) Upgrading or replacing grade crossings to increase visibility for motorists, including improvements to roadway surfaces, signage and traffic signals, and signal system upgrades and replacements to meet Federal Railroad Administration Positive Train Control regulations.

(D) Upgrading fueling facilities, including upgrading fueling and sanding locomotives or tanks, pumps, piping, containment areas, track pans, lighting, and security.

(E) Upgrading team track facilities, including railroad owned warehouses, loading docks, and transfer stations for loading and unloading freight.

(F) Upgrading shop facilities, including upgrading structures, inspection pits, drop pits, cranes, employee fall protection, lighting, climate control, and break rooms.

(4) Improving the transportation of goods by water, limited to the following:

(A) Upgrading or replacing a permanent waterside dock.

(B) Upgrading or building a new terminal facility that serves waterborne transportation.

(C) Improving paved access to a waterborne terminal facility.

(D) Purchasing new equipment having a useful life of at least five (5) years, including diagnostic equipment, an oil delivery system, an air compressor, or a barge lift.

(5) Improving the transportation of goods by air, limited to the following:

(A) Upgrading or building a new cargo building, apron, hangar, warehouse facility, freight forwarding facility, cross-dock distribution facility, or aircraft maintenance facility.

(B) Improving paved access to a terminal or cargo facility.

(C) Upgrading a fueling facility.

(6) Improving warehousing and logistical capabilities, limited to the following:

(A) Upgrading warehousing facilities, including upgrading loading dock doors and loading dock plates, fueling equipment, fueling installations, or dolly drop pads for trailers.

(B) Improving logistical distribution by purchasing new equipment, limited to the following:

(i) Picking modules (systems of racks, conveyors, and controllers).

(ii) Racking equipment.

(iii) Warehouse management systems, including scanning or coding equipment.

(iv) Security equipment.

(v) Temperature control and monitoring equipment.

(vi) Dock levelers and pallet levelers and inverters.

(vii) Conveyors and related controllers, scales, and like equipment.

(viii) Packaging equipment.

(ix) Moving, separating, sorting, and picking equipment.

A logistics investment does not include an expenditure for maintenance expenses.

As added by P.L.288-2013, SEC.52.

IC 6-3.1-26-9

"State tax liability"

Sec. 9. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 27-1-18-2 (the insurance premiums tax); and

(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this

chapter.
As added by P.L.224-2003, SEC.197.

IC 6-3.1-26-10
Repealed
(Repealed by P.L.199-2005, SEC.40.)

IC 6-3.1-26-11
"Taxpayer"
Sec. 11. As used in this chapter, "taxpayer" means an individual, a corporation, a partnership, or other entity that has state tax liability.
As added by P.L.224-2003, SEC.197.

IC 6-3.1-26-12
Purpose of credit
Sec. 12. The corporation may make credit awards under this chapter to foster job creation and higher wages in Indiana.
As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.104.

IC 6-3.1-26-13
Entitlement to credit
Sec. 13. A taxpayer that:
(1) is awarded a tax credit under this chapter by the corporation; and
(2) complies with the conditions set forth in this chapter and the agreement entered into by the corporation and the taxpayer under this chapter;
is entitled to a credit against the taxpayer's state tax liability in a taxable year.
As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.105.

IC 6-3.1-26-14
Amount of credit
Sec. 14. The total amount of a tax credit claimed for a taxable year under this chapter is a percentage determined by the corporation, not to exceed:
(1) ten percent (10%), of the amount of a qualified investment made by the taxpayer in Indiana during that taxable year, if the qualified investment is not a logistics investment; and
(2) twenty-five percent (25%) of the amount of a qualified investment made by the taxpayer in Indiana during that taxable year, if the qualified investment is a logistics investment. For purposes of this subdivision, the amount of a qualified investment that is used to determine the credit is limited to the difference of:
(A) the qualified investments made by the taxpayer during the taxable year; minus
(B) one hundred five percent (105%) of the average annual

qualified investments made by the taxpayer during the two (2) taxable years immediately preceding the taxable year for which the credit is being claimed. However, if the total of the qualified investments for the earlier year of the two (2) year average is zero (0) and the taxpayer has not claimed the credit for a year that precedes that year, the taxpayer shall subtract only one hundred five percent (105%) of the amount of the qualified investments made during the taxable year immediately preceding the taxable year for which the credit is being claimed.

The taxpayer may carry forward any unused credit as provided in section 15 of this chapter.

As added by P.L.224-2003, SEC.197. Amended by P.L.199-2005, SEC.20; P.L.288-2013, SEC.53.

IC 6-3.1-26-15

Carry forward of credit

Sec. 15. (a) A taxpayer may carry forward an unused credit for the number of years determined by the corporation, not to exceed nine (9) consecutive taxable years, beginning with the taxable year after the taxable year in which the taxpayer makes the qualified investment.

(b) The amount that a taxpayer may carry forward to a particular taxable year under this section equals the unused part of a credit allowed under this chapter.

(c) A taxpayer may:

(1) claim a tax credit under this chapter for a qualified investment; and

(2) carry forward a remainder for one (1) or more different qualified investments;

in the same taxable year.

As added by P.L.224-2003, SEC.197. Amended by P.L.199-2005, SEC.21; P.L.288-2013, SEC.54.

IC 6-3.1-26-16

Shareholder or partner entitled to credit

Sec. 16. If a pass through entity does not have state tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.107; P.L.199-2005, SEC.22.

IC 6-3.1-26-17

Application

Sec. 17. A person that proposes a project to:

(1) create new jobs or increase wage levels in Indiana; or

(2) substantially enhance the logistics industry by creating new jobs, preserving existing jobs that otherwise would be lost, increasing wages in Indiana, or improving the overall Indiana economy, in the case of a logistics investment being claimed by the applicant;

may apply to the corporation before the taxpayer makes the qualified investment to enter into an agreement for a tax credit under this chapter. The director shall prescribe the form of the application.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.106; P.L.288-2013, SEC.55.

IC 6-3.1-26-18

Agreement for credit; conditions

Sec. 18. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all the following conditions exist:

(1) The applicant's project will:

(A) raise the total earnings of employees of the applicant in Indiana; or

(B) substantially enhance the logistics industry by creating new jobs, preserving existing jobs that otherwise would be lost, increasing wages in Indiana, or improving the overall Indiana economy, in the case of a logistics investment being claimed by the applicant.

(2) The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana.

(3) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not raising the total earnings of the applicant's employees in Indiana, or other employees in Indiana in the case of a logistics investment being claimed by the applicant.

(4) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

(5) The credit is not prohibited by section 19 of this chapter.

(6) In the case of a qualified investment that is not being claimed as a logistics investment by the applicant, the average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.107; P.L.199-2005, SEC.23; P.L.1-2006, SEC.143; P.L.288-2013, SEC.56.

IC 6-3.1-26-19

Credit disallowed for relocated jobs

Sec. 19. A person is not entitled to claim the credit provided by this chapter for any jobs that the person relocates from one (1) site in Indiana to another site in Indiana. Determinations under this section shall be made by the corporation.
As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.108.

IC 6-3.1-26-20
Certification of qualified investments; annual aggregate credit limits

Sec. 20. (a) The corporation shall certify the amount of the qualified investment that is eligible for a credit under this chapter. In determining the credit amount that should be awarded, the corporation shall grant a credit only for the amount of the qualified investment that is directly related to:

(1) expanding the workforce in Indiana; or

(2) substantially enhancing the logistics industry and improving the overall Indiana economy.

(b) The total amount of credits that the corporation may approve under this chapter for a state fiscal year for all taxpayers for all qualified investments is:

(1) fifty million dollars ($50,000,000) for credits based on a qualified investment that is not being claimed as a logistics investment; and

(2) ten million dollars ($10,000,000) for credits based on a qualified investment that is being claimed as a logistics investment.

(c) A person that desires to claim a tax credit for a qualified investment shall file with the department, in the form that the department may prescribe, an application:

(1) stating separately the amount of the credit awards for qualified investments that have been granted to the taxpayer by the corporation that will be claimed as a credit that is covered by:

(A) subsection (b)(1); and

(B) subsection (b)(2);

(2) stating separately the amount sought to be claimed as a credit that is covered by:

(A) subsection (b)(1); and

(B) subsection (b)(2); and

(3) identifying whether the credit will be claimed during the state fiscal year in which the application is filed or the immediately succeeding state fiscal year.

(d) The department shall separately record the time of filing of each application for a credit award for a qualified investment covered by subsection (b)(1) and for a qualified investment covered by subsection (b)(2) and shall, except as provided in subsection (e), approve the credit to the taxpayer in the chronological order in which the application is filed in the state fiscal year. The department shall promptly notify an applicant whether, or the extent to which, the tax

credit is allowable in the state fiscal year proposed by the taxpayer.

(e) If the total credit awards for qualified investments that are covered by:

(1) subsection (b)(1); and

(2) subsection (b)(2);

including carryover credit awards covered by each subsection for a previous state fiscal year, equal the maximum amount allowable in the state fiscal year, an application for such a credit award that is filed later for that same state fiscal year may not be granted by the department. However, if an applicant for which a credit has been awarded and applied for with the department fails to claim the credit, an amount equal to the credit previously applied for but not claimed may be allowed to the next eligible applicant or applicants until the total amount has been allowed.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.109; P.L.288-2013, SEC.57.

IC 6-3.1-26-21

Agreement for credit; contents

Sec. 21. The corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:

(1) A detailed description of the project that is the subject of the agreement.

(2) The first taxable year for which the credit may be claimed.

(3) The amount of the taxpayer's state tax liability for each tax in the taxable year of the taxpayer that immediately preceded the first taxable year in which the credit may be claimed.

(4) The maximum tax credit amount that will be allowed for each taxable year.

(5) A requirement that the taxpayer shall maintain operations at the project location for at least ten (10) years during the term that the tax credit is available.

(6) A specific method for determining the number of new employees employed during a taxable year who are performing jobs not previously performed by an employee.

(7) A requirement that the taxpayer shall annually report to the corporation the number of new employees who are performing jobs not previously performed by an employee, the average wage of the new employees, the average wage of all employees at the location where the qualified investment is made, if the qualified investment is not being claimed as a logistics investment by the applicant, and any other information the director needs to perform the director's duties under this chapter.

(8) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (7), and that after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.

(9) This subdivision applies only to a qualified investment that is not being claimed as a logistics investment by the applicant.

A requirement that the taxpayer shall pay an average wage to all its employees other than highly compensated employees in each taxable year that a tax credit is available that equals at least one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

(10) A requirement that the taxpayer will keep the qualified investment property that is the basis for the tax credit in Indiana for at least the lesser of its useful life for federal income tax purposes or ten (10) years.

(11) This subdivision applies only to a qualified investment that is not being claimed as a logistics investment by the applicant. A requirement that the taxpayer will maintain at the location where the qualified investment is made during the term of the tax credit a total payroll that is at least equal to the payroll level that existed before the qualified investment was made.

(12) A requirement that the taxpayer shall provide written notification to the director and the corporation not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(13) Any other performance conditions that the corporation determines are appropriate.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.110; P.L.288-2013, SEC.58.

IC 6-3.1-26-22
Certificate of verification

Sec. 22. A taxpayer claiming a credit under this chapter shall submit to the department of state revenue a copy of the director's certificate of verification under this chapter for the taxable year. However, failure to submit a copy of the certificate does not invalidate a claim for a credit.

As added by P.L.224-2003, SEC.197.

IC 6-3.1-26-23
Noncompliance; assessment

Sec. 23. If the director determines that a taxpayer who has received a credit under this chapter is not complying with the requirements of the tax credit agreement or all the provisions of this chapter, the director shall, after giving the taxpayer an opportunity to explain the noncompliance, notify the Indiana economic development corporation and the department of state revenue of the noncompliance and request an assessment. The department of state revenue, with the assistance of the director, shall state the amount of the assessment, which may not exceed the sum of any previously allowed credits under this chapter. After receiving the notice, the department of state revenue shall make an assessment against the taxpayer under IC 6-8.1.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.111.

IC 6-3.1-26-24
Repealed

(Repealed by P.L.222-2007, SEC.2.)

IC 6-3.1-26-25
Biennial evaluation; reporting requirements

Sec. 25. (a) On a biennial basis, the corporation shall provide for an evaluation of the tax credit program. The evaluation must include an assessment of the effectiveness of the program in creating new jobs and increasing wages in Indiana and of the revenue impact of the program and may include a review of the practices and experiences of other states with similar programs. The director shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives after June 30 and before November 1 in each odd-numbered year. The report provided to the president pro tempore of the senate and the speaker of the house of representatives must be in an electronic format under IC 5-14-6.

(b) The department shall report, not later than December 15 each year, to the budget committee concerning the use of the credit for logistics investments under this chapter. The report must include the following with regard to the previous state fiscal year for logistics investments:

(1) Summary information regarding the taxpayers and the use of the credit, including the amount of credits approved, the number of taxpayers applying for the credit and claiming the credit, the number of employees who are employed in Indiana by the taxpayers claiming the credit, the amount and type of new qualified expenditures for which the credit was granted, the total dollar amount of new credits claimed and the average amount of the credit claimed per taxpayer, the amount of credits to be carried forward to a subsequent taxable year, and the percentage of the total credits claimed as compared to the total adjusted gross income of all the taxpayers claiming the credit.

(2) The name and address of each taxpayer claiming the credit and the amount of the credit applied for by and granted to each taxpayer.

As added by P.L.224-2003, SEC.197. Amended by P.L.4-2005, SEC.113; P.L.288-2013, SEC.59.

IC 6-3.1-26-26
Expiration

Sec. 26. (a) This chapter applies to taxable years beginning after December 31, 2003.

(b) Notwithstanding the other provisions of this chapter, the corporation may not approve a credit for a qualified investment made after December 31, 2016. However, this section may not be construed to prevent a taxpayer from carrying an unused tax credit attributable to a qualified investment made before January 1, 2017, forward to a taxable year beginning after December 31, 2016, in the manner

provided by section 15 of this chapter.

As added by P.L.224-2003, SEC.197. Amended by P.L.81-2004, SEC.16; P.L.137-2006, SEC.7; P.L.182-2009(ss), SEC.202; P.L.137-2012, SEC.61.

IC 6-3.1-27 Version a

Chapter 27. Blended Biodiesel Tax Credits

Note: This version of chapter effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

IC 6-3.1-27-1 Version a

"Biodiesel"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 1. As used in this chapter, "biodiesel" means a renewable, biodegradable, mono alkyl ester combustible liquid fuel derived from agricultural plant oils or animal fats that meets American Society for Testing and Materials specification D6751-03a Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels.

As added by P.L.224-2003, SEC.199. Amended by P.L.122-2006, SEC.4.

IC 6-3.1-27-2 Version a

"Blended biodiesel"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 2. As used in this chapter, "blended biodiesel" refers to a blend of biodiesel with petroleum diesel so that the percentage of biodiesel in the blend is at least two percent (2%) (B2 or greater). The term does not include biodiesel (B100).

As added by P.L.224-2003, SEC.199.

IC 6-3.1-27-2.5 Version a

"Corporation"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 2.5. As used in this chapter, "corporation" refers to the Indiana economic development corporation.

As added by P.L.191-2005, SEC.2.

IC 6-3.1-27-3 Version a

"Dealer"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3. As used in this chapter, "dealer" has the meaning set forth in IC 6-6-1.1-103.

As added by P.L.224-2003, SEC.199.

IC 6-3.1-27-3.2 Version a

"Distribute at retail"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3.2. As used in this chapter, "distribute at retail" means to sell or otherwise distribute for consideration to an end user in Indiana.

As added by P.L.191-2005, SEC.3.

IC 6-3.1-27-3.5 Version a
"Facility"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3.5. As used in this chapter, "facility" refers to a facility that is located in Indiana and is for the production of:

(1) biodiesel;

(2) blended biodiesel that is blended with biodiesel produced at a facility located in Indiana; or

(3) both biodiesel and blended biodiesel, as described in subdivision (2).

As added by P.L.191-2005, SEC.4.

IC 6-3.1-27-4 Version a
"Pass through entity"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 4. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.224-2003, SEC.199.

IC 6-3.1-27-5
Repealed

(Repealed by P.L.191-2005, SEC.16.)

IC 6-3.1-27-6 Version a
"State tax liability"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-2.5 (the state gross retail and use tax);

(2) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(3) IC 6-5.5 (the financial institutions tax); and

(4) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.224-2003, SEC.199.

IC 6-3.1-27-7 Version a
"Taxpayer"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 7. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.
As added by P.L.224-2003, SEC.199.

IC 6-3.1-27-8 Version a
Biodiesel production tax credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 8. (a) Subject to section 9.5 of this chapter, a taxpayer that has been certified by the corporation as eligible for a credit under this section and produces biodiesel at a facility located in Indiana is entitled to a credit against the taxpayer's state tax liability equal to the product of:

(1) one dollar ($1); multiplied by
(2) the number of gallons of biodiesel:
(A) produced at the Indiana facility during the taxable year; and
(B) used to produce blended biodiesel.

(b) The corporation shall determine the maximum amount of credits that a taxpayer (or, if the person producing the biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) is eligible to receive under this section. The total amount of credits that the corporation may grant to a taxpayer (or, if the person producing the biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) under this section may not exceed three million dollars ($3,000,000) for all taxable years.

(c) Notwithstanding subsection (b), the total amount of credits allowed a taxpayer (or if the person producing biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) may be increased to an amount not to exceed a total of five million dollars ($5,000,000) for all taxable years with the prior approval of the Indiana economic development corporation.
As added by P.L.224-2003, SEC.199. Amended by P.L.191-2005, SEC.5; P.L.122-2006, SEC.5.

IC 6-3.1-27-9 Version a
Blended biodiesel production credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 9. (a) Subject to section 9.5 of this chapter, a taxpayer that has been certified by the corporation as eligible for a credit under this section and produces blended biodiesel at a facility located in Indiana is entitled to a credit against the taxpayer's state tax liability equal to the product of:

(1) two cents ($0.02); multiplied by
(2) the number of gallons of blended biodiesel:
(A) produced at the Indiana facility; and
(B) blended with biodiesel produced at a facility located in Indiana.

(b) The corporation shall determine the maximum amount of credits that a taxpayer (or, if the person producing the blended biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) is eligible to receive under this section. The total amount of credits that the corporation may grant to a taxpayer (or, if the person producing the blended biodiesel is a pass through entity, the shareholders, partners, or members of the pass through entity) under this section may not exceed three million dollars ($3,000,000) for all taxable years.

As added by P.L.224-2003, SEC.199. Amended by P.L.191-2005, SEC.6; P.L.122-2006, SEC.6.

IC 6-3.1-27-9.5 Version a
Maximum amount of tax credits allowed

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 9.5. Except as provided in IC 6-3.1-28-11(c), the total amount of credits allowed under:

(1) section 8 of this chapter;
(2) section 9 of this chapter; and
(3) IC 6-3.1-28;

may not exceed fifty million dollars ($50,000,000) for all taxpayers and all taxable years beginning after December 31, 2004. The corporation shall determine the maximum allowable amount for each type of credit, which must be at least four million dollars ($4,000,000) for each type of credit.

As added by P.L.191-2005, SEC.7. Amended by P.L.122-2006, SEC.7; P.L.175-2007, SEC.1.

IC 6-3.1-27-10 Version a
Credit for sale of blended biodiesel

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 10. (a) A taxpayer that:

(1) is a dealer; and
(2) distributes at retail blended biodiesel in a taxable year;

is entitled to a credit against the taxpayer's state tax liability.

(b) The amount of the credit allowed under this section is the product of:

(1) one cent ($0.01); multiplied by
(2) the total number of gallons of blended biodiesel distributed at retail by the taxpayer in a taxable year.

(c) The total amount of credits allowed under this section may not exceed one million dollars ($1,000,000) for all taxpayers and all taxable years.

(d) A credit under this section may not be taken for blended biodiesel distributed at retail after December 31, 2010.

As added by P.L.224-2003, SEC.199. Amended by P.L.191-2005, SEC.8; P.L.122-2006, SEC.8.

IC 6-3.1-27-11 Version a
Pass through entities

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 11. If a pass through entity is entitled to a credit under this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

As added by P.L.224-2003, SEC.199.

IC 6-3.1-27-12 Version a
Carryover of tax credits; assignment

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 12. (a) If the amount of the credit determined under this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry over the excess to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A credit may not be carried forward for more than six (6) taxable years following the taxable year in which the taxpayer was first entitled to claim the credit.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit. A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this chapter.

As added by P.L.224-2003, SEC.199. Amended by P.L.191-2005, SEC.9.

IC 6-3.1-27-13 Version a
Claiming credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 13. To receive the credit provided by this chapter, a taxpayer must do the following:

(1) Claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department.

(2) Provide a copy of the certificate of the corporation finding:

(A) that the taxpayer; or

(B) if the taxpayer is a shareholder, partner, or member of a pass through entity, that the pass through entity;

is eligible for the credit under IC 5-28-6-3.

(3) Submit to the department proof of all information that the department determines is necessary for the calculation of the credit provided by this chapter.

The department may require a pass through entity to provide

informational reports that the department determines necessary for the department to calculate the percentage of a credit provided by this chapter to which a shareholder, partner, or member of the pass through entity is entitled.

As added by P.L.224-2003, SEC.199. Amended by P.L.191-2005, SEC.10.

IC 6-3.1-27 Version b

Chapter 27. Repealed

(Repealed by P.L.190-2014, SEC.19.)

Note: This repeal of chapter effective 1-1-2015. See also preceding version of this chapter, effective until 1-1-2015.

IC 6-3.1-28 Version a

Chapter 28. Ethanol Production Tax Credit

Note: This version of chapter effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

IC 6-3.1-28-1 Version a

"Corporation"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 1. As used in this chapter, "corporation" refers to the Indiana economic development corporation created by IC 5-28-3-1.

As added by P.L.224-2003, SEC.200. Amended by P.L.191-2005, SEC.11.

IC 6-3.1-28-2 Version a

"Ethanol"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 2. As used in this chapter, "ethanol" means agriculturally derived ethyl alcohol.

As added by P.L.224-2003, SEC.200.

IC 6-3.1-28-3 Version a

"Facility"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3. As used in this chapter, "facility" refers to a facility for the production of ethanol that satisfies all the following:

(1) The facility is located in Indiana.

(2) The facility has a capacity to produce at least forty million (40,000,000) gallons of ethanol a year.

(3) The facility, after December 31, 2003, increased its ethanol production capacity by at least forty million (40,000,000) gallons a year.

As added by P.L.224-2003, SEC.200.

IC 6-3.1-28-4 Version a

"Pass through entity"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 4. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.224-2003, SEC.200.

IC 6-3.1-28-5 Version a

"State tax liability"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-2.5 (the state gross retail and use tax);

(2) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(3) IC 6-5.5 (the financial institutions tax); and

(4) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.224-2003, SEC.200.

IC 6-3.1-28-6 Version a
"Taxpayer"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 6. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

As added by P.L.224-2003, SEC.200.

IC 6-3.1-28-7 Version a
Ethanol production tax credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 7. Subject to IC 6-3.1-27-9.5 and section 11 of this chapter, a taxpayer that has been certified by the corporation as eligible for a credit under this section and produces ethanol at a facility is entitled to a credit against the taxpayer's state tax liability equal to the product of:

(1) twelve and one-half cents ($.125); multiplied by

(2) the number of gallons of ethanol produced at the Indiana facility.

As added by P.L.224-2003, SEC.200. Amended by P.L.191-2005, SEC.12.

IC 6-3.1-28-8 Version a
Pass through entities

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 8. If a pass through entity is entitled to a credit under this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

As added by P.L.224-2003, SEC.200.

IC 6-3.1-28-9 Version a
Carryover of excess tax credits

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 9. (a) If the amount of the credit determined under this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry over the excess to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit. A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this chapter.

As added by P.L.224-2003, SEC.200. Amended by P.L.175-2007, SEC.2.

IC 6-3.1-28-10 Version a
Claiming tax credits

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 10. To receive the credit provided by this chapter, a taxpayer must do the following:

(1) Claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department.

(2) Provide a copy of the corporation's certificate finding:

(A) that the taxpayer; or

(B) if the taxpayer is a shareholder, partner, or member of a pass through entity, that the pass through entity;

is eligible for the credit under IC 5-28-6-3.

(3) Submit to the department proof of all information that the department determines is necessary for the calculation of the credit provided by this chapter.

The department may require a pass through entity to provide informational reports that the department determines necessary for the department to calculate the percentage of the credit provided by this chapter to which a shareholder, partner, or member of the pass through entity is entitled.

As added by P.L.224-2003, SEC.200. Amended by P.L.191-2005, SEC.13.

IC 6-3.1-28-11 Version a
Maximum amount of tax credits awarded

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 11. (a) As used in this section, "cellulosic ethanol" means ethanol derived solely from lignocellulosic or hemicellulosic matter.

(b) The corporation shall determine the maximum amount of credits that a taxpayer (or if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the

pass through entity) is eligible to receive under this section. The total amount of credits allowed a taxpayer (or, if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) under this chapter may not exceed a total of the following amounts for all taxable years:

(1) Two million dollars ($2,000,000) in the case of a taxpayer who produces at least forty million (40,000,000) but less than sixty million (60,000,000) gallons of grain ethanol in a taxable year.

(2) Three million dollars ($3,000,000) in the case of a taxpayer who produces at least sixty million (60,000,000) gallons of grain ethanol in a taxable year.

(3) Twenty million dollars ($20,000,000) for all taxpayers for all taxable years, in the case of tax credits for a taxpayer who produces at least twenty million (20,000,000) gallons of cellulosic ethanol in a taxable year.

(c) The total amount of tax credits allowed under this chapter for a taxpayer who produces at least twenty million (20,000,000) gallons of cellulosic ethanol is not subject to the maximum amount of tax credits imposed by IC 6-3.1-27-9.5.

(d) A taxpayer who is eligible for a credit under this chapter as a result of producing at least twenty million (20,000,000) gallons of cellulosic ethanol in a taxable year may apply the credit only against the state tax liability attributable to business activity taking place at the Indiana facility at which the cellulosic ethanol was produced.

As added by P.L.224-2003, SEC.200. Amended by P.L.191-2005, SEC.14; P.L.122-2006, SEC.9; P.L.175-2007, SEC.3.

IC 6-3.1-28 Version b

Repealed

(Repealed by P.L.190-2014, SEC.20.)

Note: This repeal of chapter effective 1-1-2015. See also preceding version of this chapter, effective until 1-1-2015.

IC 6-3.1-29

Chapter 29. Coal Gasification Technology Investment Tax Credit

IC 6-3.1-29-0.1

Application of chapter; severability

Sec. 0.1. (a) The addition of this chapter by P.L.191-2005 applies to taxable years beginning after December 31, 2005.

(b) Each individual provision of P.L.191-2005 is fully severable. If a provision requiring an agreement executed under section 19 of this chapter, as added by P.L.191-2005, to include a particular term is declared invalid, the invalidity of the provision does not affect the validity of:

(1) the other provisions of this chapter, as added by P.L.191-2005;

(2) the other terms of the agreement executed under section 19 of this chapter, as added by P.L.191-2005; or

(3) a tax credit awarded under this chapter, as added by P.L.191-2005.

As added by P.L.220-2011, SEC.143.

IC 6-3.1-29-1

Legislative intent; use of women and minority businesses as vendors

Sec. 1. The general assembly declares that the opportunity for the participation of underutilized small businesses, especially women and minority business enterprises, in the coal gasification industry is essential if social and economic parity is to be obtained by women and minority business persons and if the economy of Indiana is to be stimulated as contemplated by this chapter. A recipient of a credit under this chapter is encouraged to purchase goods and services from underutilized small businesses, especially women and minority business enterprises.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-2

"Commission"

Sec. 2. As used in this chapter, "commission" refers to the Indiana utility regulatory commission.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-3

"Corporation"

Sec. 3. As used in this chapter, "corporation" refers to the Indiana economic development corporation established by IC 5-28-3-1.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-4

"Department"

Sec. 4. As used in this chapter, "department" refers to the

department of state revenue.
As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-4.5
"Fluidized bed combustion technology"

Sec. 4.5. As used in this chapter, "fluidized bed combustion technology" means a technology that involves the combustion of fuel in connection with a bed of inert material, such as limestone or dolomite, which is held in a fluid like state by the means of air or other gasses being passed through the materials.
As added by P.L.122-2006, SEC.10.

IC 6-3.1-29-5
"Indiana coal"

Sec. 5. As used in this chapter, "Indiana coal" has the meaning set forth in IC 21-47-1-4.
As added by P.L.191-2005, SEC.15. Amended by P.L.2-2007, SEC.125.

IC 6-3.1-29-6
"Integrated coal gasification powerplant"

Sec. 6. As used in this chapter, "integrated coal gasification powerplant" means a facility that satisfies all the following requirements:

(1) The facility is located in Indiana and is a newly constructed energy generating plant.

(2) The facility converts coal into synthesis gas that can be used as a fuel to generate energy or as a substitute for natural gas.

(3) The facility uses the synthesis gas as a fuel to generate electric energy or produces synthesis gas that can be used as a substitute for natural gas.

(4) The facility is dedicated primarily to production of electricity or gas for use by energy utilities serving Indiana retail electric or gas utility consumers.

As added by P.L.191-2005, SEC.15. Amended by P.L.175-2007, SEC.4.

IC 6-3.1-29-7
"Minority"

Sec. 7. As used in this chapter, "minority" means a member of a minority group (as defined in IC 4-13-16.5-1.)
As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-8
"Minority business enterprise"

Sec. 8. As used in this chapter, "minority business enterprise" has the meaning set forth in IC 4-13-16.5-1.
As added by P.L.191-2005, SEC.15. Amended by P.L.1-2006, SEC.144.

IC 6-3.1-29-9
"Pass through entity"

Sec. 9. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) a partnership;
(3) a limited liability company;
(4) a limited liability partnership;
(5) a corporation organized under IC 8-1-13; or
(6) a corporation organized under IC 23-17-1 that is an electric cooperative and that has at least one (1) member that is a corporation organized under IC 8-1-13.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-10
"Qualified investment"

Sec. 10. As used in this chapter, "qualified investment" means a taxpayer's expenditures for:

(1) all real and tangible personal property incorporated in and used as part of an integrated coal gasification powerplant or a fluidized bed combustion technology; and
(2) transmission equipment and other real and personal property located at the site of an integrated coal gasification powerplant or a fluidized bed combustion technology that is employed specifically to serve the integrated coal gasification powerplant or fluidized bed combustion technology.

As added by P.L.191-2005, SEC.15. Amended by P.L.122-2006, SEC.11.

IC 6-3.1-29-11
"State tax liability"

Sec. 11. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 6-5.5 (the financial institutions tax);
(3) IC 27-1-18-2 (the insurance premiums tax); and
(4) IC 6-2.3 (the utility receipts tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-12
"Taxpayer"

Sec. 12. As used in this chapter, "taxpayer" means a person, a corporation, a partnership, or other entity that makes a qualified investment.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-13

"Women's business enterprise"

Sec. 13. As used in this section, "women's business enterprise" has the meaning set forth in IC 4-13-16.5-1.3.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-14

Credit

Sec. 14. (a) A taxpayer that:

(1) is awarded a tax credit under this chapter by the corporation; and

(2) complies with the conditions set forth in this chapter and the agreement entered into by the corporation and the taxpayer under this chapter;

is entitled to a credit against the taxpayer's state tax liability for a taxable year in which the taxpayer places into service an integrated coal gasification powerplant or a fluidized bed combustion technology and for the taxable years provided in section 16 of this chapter.

(b) A tax credit awarded under this chapter must be applied against the taxpayer's state tax liability in the following order:

(1) Against the taxpayer's liability incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax).

(2) Against the taxpayer's liability incurred under IC 6-5.5 (the financial institutions tax).

(3) Against the taxpayer's liability incurred under IC 27-1-18-2 (the insurance premiums tax).

(4) Against the taxpayer's liability incurred under IC 6-2.3 (the utility receipts tax).

As added by P.L.191-2005, SEC.15. Amended by P.L.122-2006, SEC.12.

IC 6-3.1-29-15

Computation of credit amount

Sec. 15. (a) Subject to section 16 of this chapter, the amount of the credit to which a taxpayer is entitled for a qualified investment in an integrated coal gasification powerplant is equal to the sum of the following:

(1) Ten percent (10%) of the taxpayer's qualified investment for the first five hundred million dollars ($500,000,000) invested.

(2) Five percent (5%) of the amount of the taxpayer's qualified investment that exceeds five hundred million dollars ($500,000,000) only if the facility is dedicated primarily to serving Indiana retail electric or gas utility consumers.

(b) Subject to section 16 of this chapter, the amount of the credit to which a taxpayer is entitled for a qualified investment in a fluidized bed combustion technology is equal to the sum of the following:

(1) Seven percent (7%) of the taxpayer's qualified investment for the first five hundred million dollars ($500,000,000) invested.

(2) Three percent (3%) of the amount of the taxpayer's qualified investment that exceeds five hundred million dollars ($500,000,000).

As added by P.L.191-2005, SEC.15. Amended by P.L.122-2006, SEC.13; P.L.175-2007, SEC.5.

IC 6-3.1-29-16

Limitations on use of credit

Sec. 16. (a) A credit awarded under section 15 of this chapter must be taken in ten (10) annual installments, beginning with the year in which the taxpayer places into service an integrated coal gasification powerplant or a fluidized bed combustion technology.

(b) Subject to section 20 of this chapter, the amount of an annual installment of the credit awarded under section 15 of this chapter is equal to the amount determined in the last of the following STEPS:

STEP ONE: Determine the lesser of:

(A) the credit amount determined under section 15 of this chapter, divided by ten (10); or

(B) the greater of:

(i) the taxpayer's total state tax liability for the taxable year, multiplied by twenty-five percent (25%); or

(ii) the taxpayer's liability for the utility receipts tax imposed under IC 6-2.3 for the taxable year.

STEP TWO: Multiply the STEP ONE amount by the percentage of Indiana coal used in the taxpayer's integrated coal gasification powerplant or fluidized bed combustion technology in the taxable year for which the annual installment of the credit is allowed.

(c) If the credit allowed by this chapter is available to a member of an affiliated group of corporations filing a consolidated return under IC 6-2.3-6-5 or IC 6-3-4-14, the credit shall be applied against the state tax liability of the affiliated group.

As added by P.L.191-2005, SEC.15. Amended by P.L.122-2006, SEC.14.

IC 6-3.1-29-17

Preconstruction application for credit

Sec. 17. A person that proposes to place a new integrated coal gasification powerplant or fluidized bed combustion technology into service may apply to the corporation before the taxpayer makes the qualified investment to enter into an agreement for a tax credit under this chapter. The corporation shall prescribe the form of the application.

As added by P.L.191-2005, SEC.15. Amended by P.L.122-2006, SEC.15.

IC 6-3.1-29-18

Conditions for granting credit application

Sec. 18. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if

the corporation determines that the taxpayer's proposed investment satisfies the requirements of this chapter.
As added by P.L.191-2005, SEC.15.

IC 6-3.1-29-19
Terms of required agreement; certificate of compliance

Sec. 19. (a) The corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:

(1) A detailed description of the project that is the subject of the agreement.

(2) The first taxable year for which the credit may be claimed.

(3) The maximum tax credit amount that will be allowed for each taxable year.

(4) A requirement that the taxpayer shall maintain operations at the project location for at least ten (10) years during the term that the tax credit is available.

(5) If the facility is an integrated coal gasification powerplant, a requirement that the taxpayer shall pay an average wage to its employees at the integrated coal gasification powerplant, other than highly compensated employees, in each taxable year that a tax credit is available, that equals at least one hundred twenty-five percent (125%) of the average county wage in the county in which the integrated coal gasification powerplant is located.

(6) For a project involving a qualified investment in an integrated coal gasification powerplant, a requirement that the taxpayer will maintain at the location where the qualified investment is made, during the term of the tax credit, a total payroll that is at least equal to the payroll that existed on the date that the taxpayer placed the integrated coal gasification powerplant into service.

(7) A requirement that:

(A) one hundred percent (100%) of the coal used:

(i) at the integrated coal gasification powerplant, for a project involving a qualified investment in an integrated coal gasification powerplant; or

(ii) as fuel in a fluidized bed combustion unit, in a project involving a qualified investment in a fluidized bed combustion technology, if the unit is dedicated primarily to serving Indiana retail electric utility consumers;

must be Indiana coal, unless the applicant wishes to assign the tax credit as allowed under section 20.5(c) of this chapter or elects to receive a refundable tax credit under section 20.7 of this chapter and the applicant certifies to the corporation that partial use of other coal is necessary to result in lower rates for Indiana retail utility customers; or

(B) seventy-five percent (75%) of the coal used as fuel in a fluidized bed combustion unit must be Indiana coal, in a project involving a qualified investment in a fluidized bed

combustion technology, if the unit is not dedicated primarily to serving Indiana retail electric utility consumers.

(8) A requirement that the taxpayer obtain from the commission a determination under IC 8-1-8.5-2 that public convenience and necessity require, or will require:

(A) the construction of the taxpayer's integrated coal gasification powerplant, in the case of a project involving a qualified investment in an integrated coal gasification powerplant; or

(B) the installation of the taxpayer's fluidized bed combustion unit, in the case of a project involving a qualified investment in a fluidized bed combustion technology.

(b) A taxpayer must comply with the terms of the agreement described in subsection (a) to receive an annual installment of the tax credit awarded under this chapter. The corporation shall annually determine whether the taxpayer is in compliance with the agreement. If the corporation determines that the taxpayer is in compliance, the corporation shall issue a certificate of compliance to the taxpayer.

As added by P.L.191-2005, SEC.15. Amended by P.L.122-2006, SEC.16; P.L.175-2007, SEC.6; P.L.52-2008, SEC.1; P.L.182-2009(ss), SEC.203.

IC 6-3.1-29-20

Allocation of credit among shareholders, partners, and members

Sec. 20. (a) This section applies if a qualified investment is made by a pass through entity or by taxpayers who are co-owners of an integrated coal gasification powerplant or a fluidized bed combustion technology.

(b) If the credit allowed by this chapter for a taxable year is greater than the state tax liability of the pass through entity against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year in excess of the pass through entity's state tax liability for the taxable year; multiplied by

(2) in the case of a pass through entity described in:

(i) section 9(1), 9(2), 9(3), or 9(4) of this chapter, the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled; and

(ii) section 9(5) or 9(6) of this chapter, the relative percentage of the corporation's patronage dividends allocable to the member for the taxable year.

(c) If an integrated coal gasification powerplant or a fluidized bed combustion technology is co-owned by two (2) or more taxpayers, the amount of the credit that may be allowed to a co-owner in a taxable year is equal to:

(1) the tax credit determined under sections 15 and 16 of this chapter with respect to the total qualified investment in the integrated coal gasification powerplant or fluidized bed combustion technology; multiplied by

(2) the co-owner's percentage of ownership in the integrated coal gasification powerplant or fluidized bed combustion technology.

(d) The amount of an annual installment of the credit allowed to a shareholder, partner, or member of a pass through entity or a co-owner shall be determined under section 16 of this chapter modified as follows:

(1) Section 16(b) STEP ONE (A) of this chapter shall be based on the percentage of the credit allowed to the shareholder, partner, member, or co-owner under this section.

(2) Section 16(b) STEP ONE (B) of this chapter shall be based on the:

(A) state tax liability; or

(B) utilities receipts tax liability;

of the shareholder, partner, member, or co-owner.

As added by P.L.191-2005, SEC.15. Amended by P.L.122-2006, SEC.17.

IC 6-3.1-29-20.5

Assignability of credit by contract

Sec. 20.5. (a) Subject to subsection (c), part or all of the credit to which a taxpayer is entitled under section 15 of this chapter may be assigned by the taxpayer to one (1) or more utilities that have entered into a contract that:

(1) is approved by the Indiana utility regulatory commission;

(2) provides for the purchase of electricity or substitute natural gas (as defined in IC 8-1-2-42.1) by the utility from the taxpayer; and

(3) expressly allows the assignment of tax credits under this section.

A tax credit assigned to a utility under this section must be applied against the utility's state tax liability in the order set forth in section 14(b) of this chapter.

(b) Notwithstanding section 16 of this chapter, any part of a taxpayer's credit under section 15 of this chapter that is assigned by the taxpayer under this section must be taken in twenty (20) annual installments, beginning with the year in which the taxpayer places into service an integrated coal gasification powerplant or a fluidized bed combustion technology.

(c) The part of a taxpayer's credit under section 15 of this chapter that may be assigned by the taxpayer with respect to any one (1) taxable year is subject to the following:

(1) The total amount of the taxpayer's credit under section 15 of this chapter that may be assigned by the taxpayer with respect to the taxable year may not exceed the product of:

(A) the total credit amount to which the taxpayer is entitled under section 15 of this chapter, divided by twenty (20); multiplied by

(B) the percentage of Indiana coal used in the taxpayer's integrated coal gasification powerplant or fluidized bed

combustion technology in the taxable year for which the annual installment of the credit is allowed.

(2) The part of the amount determined under subdivision (1) that may be assigned to any one (1) utility with respect to the taxable year may not exceed the greater of:

(A) the utility's total state tax liability for the taxable year, multiplied by twenty-five percent (25%); or

(B) the utility's total utility receipts tax liability for the taxable year.

(d) Any part of the taxpayer's credit under section 15 of this chapter that is assigned to one (1) or more utilities by a taxpayer under this section with respect to a taxable year may not be claimed by the taxpayer or the taxpayer's shareholders, partners, or members. However, any part of the credit to which the taxpayer is entitled under section 15 of this chapter and that is not assigned by the taxpayer with respect to the taxable year may be taken and applied by the taxpayer, or the taxpayer's shareholders, partners, or members, in accordance with sections 16 and 20 of this chapter.

As added by P.L.175-2007, SEC.7.

IC 6-3.1-29-20.7

Findings; election to receive refundable credit

Sec. 20.7. (a) The findings in IC 4-4-11.6-12 are incorporated by reference into this section. The general assembly further finds that the refundable credit provided by this section is also necessary to achieve the purposes set forth in IC 4-4-11.6-12.

(b) This section applies to a taxpayer that:

(1) makes a qualified investment in an integrated coal gasification powerplant; and

(2) enters into a contract to sell substitute natural gas (as defined in IC 4-4-11.6-11) to the Indiana finance authority under IC 4-4-11.6.

(c) Notwithstanding anything in this chapter to the contrary, a taxpayer may elect in the manner prescribed by the department to take and receive all credits to which the taxpayer is entitled under section 15 of this chapter (without regard to section 16 of this chapter) as a refundable credit against the taxpayer's state tax liability, if any, over a period of twenty (20) taxable years, beginning not later than the taxable year in which the taxpayer places into service its integrated coal gasification powerplant. If, in a taxable year, a taxpayer that makes an election under this subsection has no state tax liability, the department shall pay to the taxpayer the full amount of the refundable credit for that taxable year.

(d) The amount of a credit to which a taxpayer that makes an election under subsection (c) is entitled for a particular taxable year equals the result determined under STEP FOUR:

STEP ONE: Determine the total credit amount to which the taxpayer is entitled under section 15 of this chapter (without regard to section 16 of this chapter).

STEP TWO: Divide the STEP ONE amount by twenty (20).

STEP THREE: Determine the ratio of Indiana coal to total coal used in the taxpayer's integrated coal gasification powerplant in the taxable year.

STEP FOUR: Multiply the STEP TWO and STEP THREE amounts.

(e) A taxpayer shall claim a refund under this section in the manner provided by the department. The department shall pay the refunded amount to the taxpayer not more than ninety (90) days after the date on which the refund is claimed.

(f) The shareholders, members, or partners of a pass through entity that makes an election under subsection (c) are not entitled to a credit allowed under section 20(b) of this chapter.

(g) A credit allowed under this section is not assignable under section 20.5 of this chapter.

As added by P.L.182-2009(ss), SEC.204.

IC 6-3.1-29-21

Claiming tax credit

Sec. 21. To receive the credit awarded by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department a copy of the commission's determination required under section 19 of this chapter, a copy of the taxpayer's certificate of compliance issued under section 19 of this chapter, and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

As added by P.L.191-2005, SEC.15.

IC 6-3.1-30

Chapter 30. Headquarters Relocation Tax Credit

Revisor's Note: The effective date of IC 6-3.1-30 was changed to 1-1-2006 by P.L.137-2006, SEC.17.

IC 6-3.1-30-1

"Corporate headquarters"

Sec. 1. As used in this chapter, "corporate headquarters" means the building or buildings where one (1) or more of the following are located:

(1) The principal offices of the principal executive officers of an eligible business.

(2) The principal offices of a division or similar subdivision of an eligible business.

(3) A research and development center of an eligible business.

As added by P.L.193-2005, SEC.21. Amended by P.L.288-2013, SEC.60.

IC 6-3.1-30-1.5

"Corporation"

Sec. 1.5. As used in this chapter, "corporation" refers to the Indiana economic development corporation created under IC 5-28-3 unless the context clearly denotes otherwise.

As added by P.L.288-2013, SEC.61.

IC 6-3.1-30-2

"Eligible business"

Sec. 2. As used in this chapter, "eligible business" means a business that:

(1) is engaged in either interstate or intrastate commerce;

(2) maintains a corporate headquarters at a location outside Indiana;

(3) has not previously maintained a corporate headquarters at a location in Indiana;

(4) had annual worldwide revenues of at least fifty million dollars ($50,000,000) for the taxable year immediately preceding the business's application for a tax credit under section 12 of this chapter; and

(5) commits contractually to relocating its corporate headquarters to Indiana.

As added by P.L.193-2005, SEC.21. Amended by P.L.137-2006, SEC.8; P.L.288-2013, SEC.62.

IC 6-3.1-30-3

"Pass through entity"

Sec. 3. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.
As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-4
"Qualifying project"
Sec. 4. As used in this chapter, "qualifying project" means the relocation of the corporate headquarters of an eligible business from a location outside Indiana to a location in Indiana.
As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-5
"Relocation costs"
Sec. 5. As used in this chapter, "relocation costs" means the reasonable and necessary expenses incurred by an eligible business for a qualifying project. The term includes:
(1) moving costs and related expenses;
(2) the purchase of new or replacement equipment;
(3) capital investment costs; and
(4) property assembly and development costs, including:
(A) the purchase, lease, or construction of buildings and land;
(B) infrastructure improvements; and
(C) site development costs.
The term does not include any costs that do not directly result from the relocation of the business to a location in Indiana.
As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-6
"State tax liability"
Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:
(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 6-5.5 (the financial institutions tax); and
(3) IC 27-1-18-2 (the insurance premiums tax);
as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.
As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-7
"Taxpayer"
Sec. 7. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.
As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-7.5
Duties of the corporation
Sec. 7.5. The corporation shall do the following:
(1) Evaluate a taxpayer's relocation project for the taxpayer's eligibility for a tax credit under this chapter.

(2) Certify the eligibility of taxpayers that meet the requirements for a tax credit under this chapter.
(3) Determine the percentage used to calculate the amount of a tax credit under section 9 of this chapter.
(4) Certify the information required under section 12 of this chapter.

As added by P.L.288-2013, SEC.63.

IC 6-3.1-30-8
Tax credit

Sec. 8. (a) If the corporation certifies that a taxpayer:
(1) is an eligible business;
(2) completes a qualifying project;
(3) incurs relocation costs; and
(4) employs at least seventy-five (75) employees in Indiana;

the taxpayer is entitled to a credit against the taxpayer's state tax liability for the taxable year in which the relocation costs are incurred. The credit allowed under this section is equal to the amount determined under section 9 of this chapter.

(b) For purposes of establishing the employment level required by subsection (a)(4), a taxpayer may include:
(1) individuals who:
(A) were employed in Indiana by the taxpayer before the taxpayer commenced a qualifying project; and
(B) remain employed in Indiana after the completion of the taxpayer's qualifying project; and
(2) individuals who:
(A) were not employed in Indiana by the taxpayer before the taxpayer commenced a qualifying project; and
(B) are employed in Indiana by the taxpayer as a result of the completion of the taxpayer's qualifying project.

As added by P.L.193-2005, SEC.21. Amended by P.L.137-2006, SEC.9; P.L.1-2007, SEC.58; P.L.288-2013, SEC.64.

IC 6-3.1-30-9
Determination of tax credit amount

Sec. 9. (a) Subject to subsection (b), the amount of the credit to which a taxpayer is entitled under section 8 of this chapter equals the product of:
(1) a percentage determined by the corporation that may not exceed fifty percent (50%); multiplied by
(2) the amount of the taxpayer's relocation costs in the taxable year.

(b) The credit to which a taxpayer is entitled under section 8 of this chapter may not reduce the taxpayer's state tax liability below the amount of the taxpayer's state tax liability in the taxable year immediately preceding the taxable year in which the taxpayer first incurred relocation costs.

As added by P.L.193-2005, SEC.21. Amended by P.L.288-2013, SEC.65.

IC 6-3.1-30-10
Pass through entity; shareholder, partner, or member

Sec. 10. If a pass through entity is entitled to a credit under section 8 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-11
Carryover; unused tax credit

Sec. 11. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30-12
Claiming tax credit; returns; information required by department of state revenue

Sec. 12. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department the corporation's certification of the following information:

(1) Proof of the taxpayer's relocation costs.

(2) Proof that the taxpayer is employing in Indiana the number of employees required by section 8 of this chapter.

(3) All other information that the department determines is necessary for the calculation of the credit provided by this chapter.

As added by P.L.193-2005, SEC.21. Amended by P.L.137-2006, SEC.10; P.L.288-2013, SEC.66.

IC 6-3.1-30-13
Determination of expenses resulting from relocation

Sec. 13. In determining whether an expense of the eligible business directly resulted from the relocation of the business, the department shall consider whether the expense would likely have

been incurred by the eligible business if the business had not relocated from its original location.

As added by P.L.193-2005, SEC.21.

IC 6-3.1-30.5

Chapter 30.5. School Scholarship Tax Credit

IC 6-3.1-30.5-0.5

Severability

Sec. 0.5. Each provision of P.L.92-2011 is presumed to be and is severable from the remainder to the fullest extent and under IC 1-1-1-8. If any phrase, clause, sentence, or provision of IC 6-3.1-30.5 or IC 20-51, as added and amended, is held invalid for any reason, the invalidity does not affect the other provisions that are to be given effect without the invalid provision or application. The general assembly intends each provision to be passed into law individually and as a whole, without any provisions later found to be invalid or otherwise counter to constitutional or other legal requirements.

As added by P.L.63-2012, SEC.6.

IC 6-3.1-30.5-1

"Credit"

Sec. 1. As used in this chapter, "credit" refers to a credit granted under this chapter.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-2

"Pass through entity"

Sec. 2. As used in this chapter, "pass through entity" has the meaning set forth in IC 6-3-1-35.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-3

"Scholarship granting organization"

Sec. 3. As used in this chapter, "scholarship granting organization" refers to an organization that:

(1) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and

(2) conducts a school scholarship program without limiting the availability of scholarships to students of only one (1) participating school (as defined in IC 20-51-1-6).

As added by P.L.182-2009(ss), SEC.205. Amended by P.L.92-2011, SEC.2.

IC 6-3.1-30.5-4

"School scholarship program"

Sec. 4. As used in this chapter, "school scholarship program" refers to a scholarship program certified by the department of education under IC 20-51.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-5

"State tax liability"

Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 6-5.5 (the financial institutions tax); and

(3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-6
"Taxpayer"

Sec. 6. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-7
Credit

Sec. 7. (a) A taxpayer that makes a contribution to a scholarship granting organization for use by the scholarship granting organization in a school scholarship program is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer makes the contribution.

(b) A taxpayer is not entitled to a credit under this chapter for a contribution to a scholarship granting organization that is used to provide a scholarship or other assistance to a child participating in the early education grant pilot program under IC 12-17.2-7.2.

As added by P.L.182-2009(ss), SEC.205. Amended by P.L.202-2014, SEC.1.

IC 6-3.1-30.5-8
Amount of credit

Sec. 8. The amount of a taxpayer's credit is equal to fifty percent (50%) of the amount of the contribution made to the scholarship granting organization for a school scholarship program.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-9
Carryover, carryback, or refund not allowed

Sec. 9. (a) This section applies to a taxpayer that is entitled to a tax credit under this chapter for a taxable year beginning before January 1, 2013.

(b) A taxpayer is not entitled to a carryover, carryback, or refund of an unused credit.

(c) This section expires January 1, 2017.

As added by P.L.182-2009(ss), SEC.205. Amended by P.L.211-2013, SEC.1.

IC 6-3.1-30.5-9.5
Unused credit carried forward; taxable years beginning after

December 31, 2012

Sec. 9.5. (a) This section applies to a taxpayer that is entitled to a tax credit under this chapter for a taxable year beginning after December 31, 2012.

(b) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time the credit is carried forward to a succeeding taxable year, the credit is reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(c) A taxpayer is not entitled to a carryback or refund of any unused credit.

As added by P.L.211-2013, SEC.2.

IC 6-3.1-30.5-10

Pass through entities

Sec. 10. If a pass through entity is entitled to a credit under section 7 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-11

Claim of credit; submission of information

Sec. 11. To apply a credit against the taxpayer's state tax liability, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department the information that the department determines is necessary for the department to determine whether the taxpayer is eligible for the credit.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-12

Use of contribution

Sec. 12. A contribution to a scholarship granting organization shall be treated as having been made for use in a school scholarship program if:

(1) the contribution is made directly to a scholarship granting organization; and

(2) either:

(A) not later than the date of the contribution, the taxpayer designates in writing to the scholarship granting organization

that the contribution is to be used only for a school scholarship program; or

(B) the scholarship granting organization provides the taxpayer with written confirmation that the contribution will be dedicated solely for use in a school scholarship program.

As added by P.L.182-2009(ss), SEC.205. Amended by P.L.92-2011, SEC.3.

IC 6-3.1-30.5-13
Maximum amount of credit

Sec. 13. The total amount of tax credits awarded under this chapter may not exceed seven million five hundred thousand dollars ($7,500,000) in a state fiscal year.

As added by P.L.182-2009(ss), SEC.205. Amended by P.L.92-2011, SEC.4; P.L.205-2013, SEC.84.

IC 6-3.1-30.5-14
Information posted by the department

Sec. 14. The department, on an Internet web site used by the department to provide information to the public, shall provide the following information:

(1) The application for the credit provided in this chapter.

(2) A timeline for receiving the credit provided in this chapter.

(3) The total amount of credits awarded under this chapter during the current state fiscal year.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-30.5-15
Adoption of rules

Sec. 15. The department shall adopt rules under IC 4-22-2 to implement this chapter.

As added by P.L.182-2009(ss), SEC.205.

IC 6-3.1-31

Chapter 31. Credit for Offering Health Benefit Plans

IC 6-3.1-31-1

Application of chapter

Sec. 1. This chapter applies to an employer that does not offer coverage for health care services under a self-funded health benefit plan that complies with the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-2

"Eligible taxpayer"

Sec. 2. As used in this chapter, "eligible taxpayer" means a taxpayer that did not provide health insurance to the taxpayer's employees in the taxable year immediately preceding the first taxable year for which the taxpayer claims a credit under this chapter.

As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-3

"Full-time employee"

Sec. 3. As used in this chapter, "full-time employee" means an employee who is normally scheduled to work at least thirty (30) hours each week.

As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-4

"Health benefit plan"

Sec. 4. (a) As used in this chapter, "health benefit plan" means coverage for health care services provided under:

(1) an insurance policy that provides one (1) or more of the types of insurance described in Class 1(b) or Class 2(a) of IC 27-1-5-1; or

(2) a contract with a health maintenance organization for coverage of basic health care services under IC 27-13;

that satisfies the requirements of Section 125 of the Internal Revenue Code.

(b) The term does not include the following:

(1) Accident only, credit, dental, vision, Medicare supplement, long term care, or disability income insurance.

(2) Coverage issued as a supplement to liability insurance.

(3) Automobile medical payment insurance.

(4) A specified disease policy issued as an individual policy.

(5) A limited benefit health insurance policy issued as an individual policy.

(6) A short term insurance plan that:

(A) may not be renewed; and

(B) has a duration of not more than six (6) months.

(7) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without

regard to the actual expense of the confinement.
(8) Worker's compensation or similar insurance.
(9) A student health insurance policy.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-5
"Pass through entity"
Sec. 5. As used in this chapter, "pass through entity" means a:
(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
(2) partnership;
(3) limited liability company; or
(4) limited liability partnership.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-6
"State tax liability"
Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:
(1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax);
(2) IC 6-5.5 (financial institutions tax); and
(3) IC 27-1-18-2 (insurance premiums tax);
as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-7
"Taxpayer"
Sec. 7. As used in this chapter, "taxpayer" means an individual or entity that has state tax liability.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-8
Tax credit
Sec. 8. (a) An eligible taxpayer that, after December 31, 2006, makes health insurance available to the eligible taxpayer's employees and their dependents through at least one (1) health benefit plan is entitled to a credit against the taxpayer's state tax liability for the first two (2) taxable years in which the taxpayer makes the health benefit plan available if the following requirements are met:
(1) An employee's participation in the health benefit plan is at the employee's election.
(2) If an employee chooses to participate in the health benefit plan, the employee may pay the employee's share of the cost of the plan using a wage assignment authorized under IC 22-2-6-2.
(b) The credit allowed in each of the first two (2) taxable years described in subsection (a) equals the lesser of:
(1) two thousand five hundred dollars ($2,500); or
(2) fifty dollars ($50) multiplied by the number of employees

enrolled in the health benefit plan during the taxable year.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-9
Employer payment or reimbursement on equal basis

Sec. 9. (a) An employer may pay or provide reimbursement for all or part of the cost of a health benefit plan made available under section 8 of this chapter.

(b) An employer that pays or provides reimbursement under subsection (a) shall pay or provide reimbursement on an equal basis for all full-time employees who elect to participate in the health benefit plan.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-10
Carryover; no refund of unused credit

Sec. 10. (a) If the amount determined under section 8 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback.

(b) A taxpayer is not entitled to a refund of any unused credit.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-11
Use of pass through entity credit

Sec. 11. If a pass through entity does not have state income tax liability against which the tax credit may be applied, a shareholder or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder or partner is entitled.

As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-12
Claiming credit

Sec. 12. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer must submit to the department all information that the department determines is necessary to calculate the credit provided by this chapter and to determine the taxpayer's eligibility for the credit.
As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-13
Continuation of health benefit plan

Sec. 13. (a) A taxpayer claiming a credit under this chapter shall continue to make health insurance available to the taxpayer's employees through a health benefit plan for at least twenty-four (24) consecutive months beginning on the day after the last day of the taxable year in which the taxpayer first offers the health benefit plan.

(b) If the taxpayer terminates the health benefit plan before the expiration of the period required under subsection (a), the taxpayer shall repay the department the amount of the credit received under section 8 of this chapter.

As added by P.L.218-2007, SEC.5.

IC 6-3.1-31-14

No tax credits allowed after 2011; carryforward of unused tax credits

Sec. 14. (a) A tax credit may not be awarded under this chapter for making available after December 31, 2011, a health benefit plan.

(b) Any tax credit previously awarded but not claimed may not be carried over to a taxable year beginning during the period January 1, 2012, through December 31, 2013, and must be carried forward to a taxable year that begins after December 31, 2013, and before January 1, 2016.

As added by P.L.172-2011, SEC.69.

IC 6-3.1-31-15

Expiration of chapter

Sec. 15. This chapter expires January 1, 2020.

As added by P.L.172-2011, SEC.70.

IC 6-3.1-31.2

Chapter 31.2. Small Employer Qualified Wellness Program Tax Credit

IC 6-3.1-31.2-1

"Pass through entity"

Sec. 1. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-2

"Qualified wellness program"

Sec. 2. As used in this chapter, "qualified wellness program" means a wellness program that is certified by the state department of health under IC 16-46-13.

As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-3

"Small employer"

Sec. 3. (a) As used in this chapter, "small employer" means an employer that:

(1) is actively engaged in business; and

(2) on at least fifty percent (50%) of the working days of the employer during the preceding calendar year, employed at least two (2) but not more than one hundred (100) eligible employees, the majority of whom work in Indiana.

(b) In determining the number of eligible employees for purposes of subsection (a), employers that are affiliated employers or that are eligible to file a combined tax return for purposes of state taxation are considered one (1) employer.

As added by P.L.218-2007, SEC.6. Amended by P.L.42-2011, SEC.15.

IC 6-3.1-31.2-4

"State tax liability"

Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 6-5.5 (the financial institutions tax); and

(3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-5

"Taxpayer"

Sec. 5. As used in this chapter, "taxpayer" means a small employer that has any state tax liability.

As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-6

Tax credit

Sec. 6. A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year in an amount equal to fifty percent (50%) of the costs incurred by the taxpayer during the taxable year for providing a qualified wellness program for the taxpayer's employees during the taxable year.

As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-7

Use of pass through entity credit

Sec. 7. If a pass through entity is entitled to a credit under section 6 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-8

Carryover; no carryback or refund of unused credit

Sec. 8. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-9

Claiming credit

Sec. 9. To receive the credit provided by this chapter, a taxpayer must:

(1) submit to the department with the taxpayer's state tax return or returns a copy of the certificate received from the state department of health under IC 16-46-13; and

(2) claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department.

The taxpayer shall submit to the department all information that the

department determines is necessary for the calculation of the credit provided by this chapter.
As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-10
Biennial reporting to legislative council

Sec. 10. Beginning in 2009, the department shall, not later than December 31 of each odd-numbered year, report to the legislative council in an electronic format under IC 5-14-6 concerning use of the credit provided by this chapter. A report required by this section must include:

(1) the number of taxpayers claiming and receiving the credit;
(2) any reports of abuse of the credit; and
(3) other information the department considers necessary concerning the use and effectiveness of the credit;

during the preceding reporting period.
As added by P.L.218-2007, SEC.6.

IC 6-3.1-31.2-11
No tax credits awarded after 2001; carryforward of unused tax credits

Sec. 11. (a) A tax credit may not be awarded under this chapter for costs incurred after December 31, 2011.

(b) Any tax credit previously awarded but not claimed may not be carried over to a taxable year beginning during the period January 1, 2012, through December 31, 2013, and must be carried forward to a taxable year that begins after December 31, 2013, and before January 1, 2016.
As added by P.L.172-2011, SEC.71.

IC 6-3.1-31.2-12
Expiration of chapter

Sec. 12. This chapter expires January 1, 2020.
As added by P.L.172-2011, SEC.72.

IC 6-3.1-31.5
Repealed

(Repealed by P.L.190-2014, SEC.21.)

IC 6-3.1-31.9

Chapter 31.9. Hoosier Alternative Fuel Vehicle Manufacturer Tax Credit

IC 6-3.1-31.9-1

"Alternative fuel"

Sec. 1. As used in this chapter, "alternative fuel" means:

(1) methanol, denatured ethanol, and other alcohols;

(2) mixtures containing eighty-five percent (85%) or more by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuel;

(3) natural gas;

(4) liquefied petroleum gas;

(5) hydrogen;

(6) coal-derived liquid fuels;

(7) non-alcohol fuels derived from biological material;

(8) P-Series fuels;

(9) electricity; or

(10) biodiesel or ultra low sulfur diesel fuel.

As added by P.L.223-2007, SEC.4. Amended by P.L.182-2009(ss), SEC.206.

IC 6-3.1-31.9-2

"Alternative fuel vehicle"

Sec. 2. As used in this chapter, "alternative fuel vehicle" means any passenger car or light truck with a gross weight of eight thousand five hundred (8,500) pounds or less that is designed to operate on at least one (1) alternative fuel.

As added by P.L.223-2007, SEC.4. Amended by P.L.182-2009(ss), SEC.207.

IC 6-3.1-31.9-3

"The corporation"

Sec. 3. As used in this chapter, "the corporation" means the Indiana economic development corporation established by IC 5-28-3-1.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-4

"Director"

Sec. 4. As used in this chapter, "director" has the meaning set forth in IC 6-3.1-13-3.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-5

"Highly compensated employee"

Sec. 5. As used in this chapter, "highly compensated employee" has the meaning set forth in Section 414(q) of the Internal Revenue Code.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-6
"New employee"

Sec. 6. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-7
"Qualified investment"

Sec. 7. As used in this chapter, "qualified investment" means the amount of a taxpayer's expenditures in Indiana that are reasonable and necessary for the manufacture or assembly of alternative fuel vehicles, including:

(1) the purchase of new telecommunications, production, manufacturing, fabrication, assembly, finishing, distribution, transportation, or logistical distribution equipment, jigs, dies, or fixtures;

(2) the purchase of new computers and related equipment;

(3) costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, finishing, distribution, transportation, or logistical distribution facilities;

(4) onsite infrastructure improvements;

(5) the construction of new telecommunications, production, manufacturing, fabrication, assembly, finishing, distribution, transportation, or logistical distribution facilities;

(6) costs associated with retooling existing machinery and equipment;

(7) costs associated with the construction of special purpose buildings, pits, and foundations; and

(8) costs associated with the purchase of machinery, equipment, or special purpose buildings used to manufacture or assemble alternative fuel vehicles;

that are certified by the corporation under this chapter as being eligible for the credit under this chapter.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-8
"State tax liability"

Sec. 8. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 6-5.5 (the financial institutions tax); and

(3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-9
"Taxpayer"

Sec. 9. As used in this chapter, "taxpayer" means an individual, a corporation, a partnership, or other entity that has state tax liability.
As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-10
Purposes of credit awards

Sec. 10. The corporation may make credit awards under this chapter to:

(1) foster job creation and higher wages;
(2) reduce dependency upon energy sources imported into the United States; and
(3) reduce air pollution as the result of the manufacture or assembly of alternative fuel vehicles in Indiana.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-11
Taxpayers entitled to the credit

Sec. 11. A taxpayer that:

(1) is awarded a tax credit under this chapter by the corporation; and
(2) complies with the conditions set forth in this chapter and the agreement entered into by the corporation and the taxpayer under this chapter;

is entitled to a credit against the taxpayer's state tax liability in a taxable year.
As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-12
Amount of the credit

Sec. 12. The total amount of a tax credit claimed for a taxable year under this chapter is a percentage determined by the corporation, not to exceed fifteen percent (15%) of the amount of a qualified investment made by the taxpayer in Indiana during that taxable year. The taxpayer may carry forward any unused credit.
As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-13
Carry forward of an unused credit

Sec. 13. (a) A taxpayer may carry forward an unused credit for the number of years determined by the corporation, not to exceed nine (9) consecutive taxable years, beginning with the taxable year after the taxable year in which the taxpayer makes the qualified investment.

(b) The amount that a taxpayer may carry forward to a particular taxable year under this section equals the unused part of a credit allowed under this chapter.

(c) A taxpayer may:

(1) claim a tax credit under this chapter for a qualified investment; and
(2) carry forward a remainder for one (1) or more different

qualified investments;

in the same taxable year.

(d) The total amount of each tax credit claimed under this chapter may not exceed fifteen percent (15%) of the qualified investment for which the tax credit is claimed.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-14

Applying for a credit award

Sec. 14. A person that proposes a project to manufacture or assemble alternative fuel vehicles that would create new jobs, increase wage levels, or involve substantial capital investment in Indiana may apply to the corporation before the taxpayer makes the qualified investment to enter into an agreement for a tax credit under this chapter. The corporation shall prescribe the form of the application.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-15

Agreements between the corporation and an applicant

Sec. 15. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all the following conditions exist:

(1) The applicant's project will raise the total earnings of employees of the applicant in Indiana.

(2) The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana.

(3) The manufacture or assembly of alternative fuel vehicles by the applicant will reduce air pollution.

(4) The manufacture or assembly of alternative fuel vehicles by the applicant will reduce dependence by the United States on foreign energy sources.

(5) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project.

(6) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

(7) The credit is not prohibited by section 16 of this chapter.

(8) The average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-16

Intrastate relocations ineligible

Sec. 16. A person is not entitled to claim the credit provided by this chapter for any jobs that the person relocates from one (1) site in

Indiana to another site in Indiana. Determinations under this section shall be made by the corporation.
As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-17
Certifying a credit award

Sec. 17. The corporation shall certify the amount of the qualified investment that is eligible for a credit under this chapter. In determining the credit amount that should be awarded, the corporation shall grant a credit only for the amount of the qualified investment that is directly related to expanding:

(1) the workforce in Indiana; or
(2) the capital investment in Indiana.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-18
Agreements between the corporation and an applicant to whom a credit is awarded

Sec. 18. The corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:

(1) A detailed description of the project that is the subject of the agreement.
(2) The first taxable year for which the credit may be claimed.
(3) The amount of the taxpayer's state tax liability for each tax in the taxable year of the taxpayer that immediately preceded the first taxable year in which the credit may be claimed.
(4) The maximum tax credit amount that will be allowed for each taxable year.
(5) A requirement that the taxpayer shall maintain operations at the project location for at least ten (10) years during the term that the tax credit is available.
(6) A specific method for determining the number of new employees employed during a taxable year who are performing jobs not previously performed by an employee.
(7) A requirement that the taxpayer shall annually report to the corporation the number of new employees who are performing jobs not previously performed by an employee, the average wage of the new employees, the average wage of all employees at the location where the qualified investment is made, and any other information the director needs to perform the director's duties under this chapter.
(8) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (7), and that after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.
(9) A requirement that the taxpayer shall pay an average wage to all its employees other than highly compensated employees in each taxable year that a tax credit is available that equals at least one hundred fifty percent (150%) of the hourly minimum

wage under IC 22-2-2-4 or its equivalent.

(10) A requirement that the taxpayer will keep the qualified investment property that is the basis for the tax credit in Indiana for at least the lesser of its useful life for federal income tax purposes or ten (10) years.

(11) A requirement that the taxpayer will maintain at the location where the qualified investment is made during the term of the tax credit a total payroll that is at least equal to the payroll level that existed before the qualified investment was made.

(12) A requirement that the taxpayer shall provide written notification to the director and the corporation not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(13) Any other performance conditions that the corporation determines are appropriate.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-19
Taxpayer documentation

Sec. 19. A taxpayer claiming a credit under this chapter shall submit to the department of state revenue a copy of the director's certificate of verification under this chapter for the taxable year. However, failure to submit a copy of the certificate does not invalidate a claim for a credit.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-20
Breach of taxpayer agreement

Sec. 20. If the director determines that a taxpayer who has received a credit under this chapter is not complying with the requirements of the tax credit agreement or all the provisions of this chapter, the director shall, after giving the taxpayer an opportunity to explain the noncompliance, notify the Indiana economic development corporation and the department of state revenue of the noncompliance and request an assessment. The department of state revenue, with the assistance of the director, shall state the amount of the assessment, which may not exceed the sum of any previously allowed credits under this chapter. After receiving the notice, the department of state revenue shall make an assessment against the taxpayer under IC 6-8.1.

As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-21
Annual report on the tax credit program

Sec. 21. On or before March 31 each year, the director shall submit a report to the corporation on the tax credit program under this chapter. The report must include information on the number of agreements that were entered into under this chapter during the preceding calendar year, a description of the project that is the subject

of each agreement, an update on the status of projects under agreements entered into before the preceding calendar year, and the sum of the credits awarded under this chapter. A copy of the report shall be transmitted in an electronic format under IC 5-14-6 to the executive director of the legislative services agency for distribution to the members of the general assembly.
As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-22
Biennial evaluation of the tax credit program

Sec. 22. On a biennial basis, the corporation shall provide for an evaluation of the tax credit program. The evaluation must include an assessment of the effectiveness of the program in creating new jobs and increasing wages in Indiana and of the revenue impact of the program and may include a review of the practices and experiences of other states with similar programs. The director shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives after June 30 and before November 1 in each odd-numbered year. The report provided to the president pro tempore of the senate and the speaker of the house of representatives must be in an electronic format under IC 5-14-6.
As added by P.L.223-2007, SEC.4.

IC 6-3.1-31.9-23
Expiration of the tax credit program

Sec. 23. (a) This chapter applies to taxable years beginning after December 31, 2006.

(b) Notwithstanding the other provisions of this chapter, the corporation may not approve an alternative fuel vehicle manufacturing credit for a qualified investment made after December 31, 2016. However, this section may not be construed to prevent a taxpayer from carrying an unused tax credit attributable to a qualified investment made before January 1, 2017, forward to a taxable year beginning after December 31, 2016, in the manner provided by section 13 of this chapter.
As added by P.L.223-2007, SEC.4. Amended by P.L.137-2012, SEC.62.

IC 6-3.1-32

Chapter 32. Expired

(Expired 1-1-2012 by P.L.235-2007, SEC.2.)

IC 6-3.1-33 Version a

Chapter 33. New Employer Tax Credit

Note: This version of chapter effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

IC 6-3.1-33-1 Version a

Application of chapter

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 1. This chapter applies to taxable years beginning after December 31, 2009.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-2 Version a

"Department"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 2. As used in this chapter, "department" refers to:

(1) the department of state revenue; or

(2) the department of insurance;

whichever agency is obligated to administer the tax against which a credit is applied.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-3 Version a

"IEDC"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 3. As used in the chapter, "IEDC" refers to the Indiana economic development corporation.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-4 Version a

"New Indiana business"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 4. As used in this chapter, "new Indiana business" means a corporation or pass through entity that after December 31, 2009:

(1) either:

(A) locates or relocates the operations of a business enterprise in Indiana;

(B) incorporates or otherwise first organizes in Indiana; or

(C) expands the entity's operation of a business enterprise in Indiana;

(2) employs at least ten (10) qualified employees;

(3) makes an application to the IEDC under this chapter; and

(4) is issued a certificate of approval by the IEDC under this chapter.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-5 Version a
"Qualified employee"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 5. As used in this chapter, "qualified employee" means an individual who is:

(1) a full-time employee (as defined in IC 6-3.1-13-4) first hired by a new Indiana business during the period specified in section 10(b) of this chapter;

(2) a resident of Indiana; and

(3) not more than a five percent (5%) shareholder, partner, member, or owner of the applicant;

as determined by the IEDC. The term does not include rehired individuals, individuals employed to fill positions vacated as the result of a layoff that occurred during the previous two (2) years, or individuals employed in the same business operation before and after a change of business ownership.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-6 Version a
"State tax liability"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 6. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 27-1-18-2 (the insurance premiums tax); and

(3) IC 6-5.5 (the financial institutions tax);

as computed before the application of any other credit against state tax liability to which the taxpayer is entitled, including any credit described in IC 6-3.1-1-2.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-7 Version a
"Tax credit"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 7. As used in this chapter, "tax credit" refers to a tax credit granted by this chapter before the application of any other tax credits to which a new Indiana business might be eligible.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-8 Version a
"Taxpayer"

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 8. As used in this chapter, "taxpayer" means a person, corporation, partnership, or other entity that has any state tax liability.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-9 Version a
Application for credit; qualifications; certificate of approval

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 9. (a) Before January 1, 2017, a corporation or pass through entity that desires to qualify for the new employer credit provided by this chapter may submit an application to the IEDC in the form and manner specified by the IEDC.

(b) The IEDC shall promptly review all applications submitted to the IEDC under this chapter.

(c) If the IEDC determines that an applicant for the tax credit provided by this chapter has furnished reliable evidence, as determined by the IEDC, that the applicant is reasonably capable of:

(1) employing at least ten (10) qualified employees in each month of the period specified in section 10(b) of this chapter during the taxable year; and

(2) meeting the requirements for the tax credit provided by this chapter;

the IEDC may issue the applicant a certificate of approval. If a certificate of approval is issued, the IEDC shall provide a copy of the certificate to the department.

(d) In making a determination of whether an applicant is qualified for a credit under this chapter, the IEDC may consider the following:

(1) The applicant's employment levels in previous years to determine if the applicant is hiring new individuals or rehiring individuals.

(2) Whether the applicant is the successor to part or all of the assets or business operations of another corporation or pass through entity that conducted business operations in Indiana in the same line of business to determine if the applicant is a new Indiana business under this chapter.

(e) If the IEDC determines that the applicant will not employ at least ten (10) qualified employees in each month of the period specified in section 10(b) of this chapter during the taxable year, is not a new Indiana business, or does not meet, or is unlikely to meet, any other requirements for the tax credit provided by this chapter, the IEDC shall notify the applicant of the IEDC's determination.

(f) The IEDC may not issue a certificate of approval under this chapter after December 31, 2016.

As added by P.L.110-2010, SEC.16. Amended by P.L.137-2012, SEC.63.

IC 6-3.1-33-10 Version a
Credit entitlement; credit period

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 10. (a) Each taxable year, a new Indiana business is entitled to a tax credit against the new Indiana business's state tax liability for the taxable year in the amount specified by section 11 of this chapter.

(b) The tax credit provided by subsection (a) is based on a period

not exceeding twenty-four (24) consecutive calendar months during which the new Indiana business meets the conditions of this chapter. The period begins on the first day of the month following the month in which the new Indiana business is approved by the IEDC under this chapter. The period ends on the final day of:

(1) the twenty-fourth consecutive calendar month that the new Indiana business complies with the conditions of this chapter; or

(2) the month in which the new Indiana business ceases to comply with the conditions of this chapter;

whichever month occurs first.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-11 Version a

Credit amount

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 11. For each taxable year, the amount of the tax credit under this chapter is equal to ten percent (10%) of the wages paid by the new Indiana business to qualified employees during the calendar months of the period specified in section 10(b) of this chapter that are included in the taxable year.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-12 Version a

Use of pass through entity credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 12. If a pass through entity does not have state tax liability against which a tax credit may be applied, a shareholder, partner, fiduciary, or member of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit to which the pass through entity would be entitled under this chapter for the taxable year if the pass through entity were a taxpayer; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, fiduciary, or member is entitled.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-13 Version a

Carryover; no carryback or refund of unused credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 13. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the

immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for not more than nine (9) taxable years following the first year the credit is claimed.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33-14 Version a

Claiming credit

Note: This version of section effective until 1-1-2015. See also following repeal of this chapter, effective 1-1-2015.

Sec. 14. To qualify for a tax credit under this chapter, a taxpayer must claim the tax credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall maintain the records required by the department for the period specified by the department to substantiate the taxpayer's eligibility for the credit.

As added by P.L.110-2010, SEC.16.

IC 6-3.1-33 Version b

Repealed

(Repealed by P.L.190-2014, SEC.22.)

Note: This repeal of chapter effective 1-1-2015. See also preceding version of this chapter, effective until 1-1-2015.

IC 6-3.1-34.6

Chapter 34.6. Tax Credit for Natural Gas Powered Vehicles

IC 6-3.1-34.6-1

Applicability

Sec. 1. (a) Subject to subsection (b), this chapter applies to taxable years beginning after December 31, 2013.

(b) A person is not entitled to a tax credit for placing a qualified vehicle into service after December 31, 2016. However, this subsection may not be construed to prevent a person from carrying an unused tax credit attributable to a qualified vehicle placed into service before January 1, 2017, forward to a taxable year beginning after December 31, 2016, in the manner provided by section 13 of this chapter.

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-2

"Department"

Sec. 2. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-3

"Natural gas"

Sec. 3. As used in this chapter, "natural gas" means compressed or liquid natural gas.

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-4

"Pass through entity"

Sec. 4. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-5

"Person"

Sec. 5. As used in this chapter, "person" means an individual, a corporation, a limited liability company, a partnership, or another legal entity.

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-6

"Qualified vehicle"

Sec. 6. As used in this chapter, "qualified vehicle" means a natural gas powered vehicle that:

(1) has a gross vehicle weight rating of more than thirty-three

thousand (33,000) pounds; and

(2) is purchased or leased from a dealer located in Indiana.

As added by P.L.277-2013, SEC.6. Amended by P.L.212-2014, SEC.1.

IC 6-3.1-34.6-7

"State tax liability"

Sec. 7. As used in this chapter, "state tax liability" means a person's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 6-5.5 (the financial institutions tax); and

(3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-8

Credit claim and computation

Sec. 8. (a) A person that places a qualified vehicle into service in a particular taxable year may claim a credit against the person's state tax liability for that taxable year.

(b) Subject to sections 9 and 10 of this chapter, the amount of the credit that may be claimed for placing a qualified vehicle into service is the amount determined in STEP THREE of the following formula:

STEP ONE: Determine the difference between:

(A) the price of the qualified vehicle; and

(B) the price of a similarly equipped vehicle of the same make and model that is powered by a gasoline or diesel engine.

STEP TWO: Multiply the STEP ONE result by fifty percent (50%).

STEP THREE: Determine the lesser of:

(A) the STEP TWO result; or

(B) fifteen thousand dollars ($15,000).

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-9

Maximum credit per person

Sec. 9. The total amount of the tax credits granted to a person under this chapter for a particular taxable year may not exceed one hundred fifty thousand dollars ($150,000).

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-10

Maximum annual credit; maximum overall credit

Sec. 10. The total amount of the tax credits granted in a particular year to all persons under this chapter may not exceed the lesser of:

(1) three million dollars ($3,000,000) per year; or

(2) the revenue, as estimated by the budget agency, that is

attributable to the imposition of the gross retail and use tax on transactions involving the purchase of a natural gas product (as defined by IC 6-6-2.5-16.5) to fuel a motor vehicle for the year the credit is claimed.

In addition, the tax credits granted for all years to all persons under this chapter may not exceed three (3) times the per year amount under subdivision (1) or (2), whichever applies for a particular year.

As added by P.L.277-2013, SEC.6. Amended by P.L.212-2014, SEC.2.

IC 6-3.1-34.6-11

Claiming credit; pass through entity

Sec. 11. (a) If a pass through entity places a qualified vehicle into service but does not have state tax liability against which a tax credit may be applied, a shareholder, partner, or member of the pass through entity may claim a tax credit under this chapter equal to:

(1) the tax credit determined for the pass through entity under this chapter for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same qualified vehicle placed into service.

As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-12

Procedure to claim credit

Sec. 12. (a) To receive a credit under this chapter, a person placing a qualified vehicle into service must:

(1) apply for the department's approval of the tax credit and notify the department of the person's purchase or lease of a qualified vehicle in the manner prescribed by the department;

(2) submit proof of the purchase or lease to the department and file with the department information that the department determines is necessary for the calculation of the credit under this chapter;

(3) attach proof of the department's approval of the tax credit to the person's state tax return or returns; and

(4) claim the approved tax credit on the person's state tax return or returns in the manner prescribed by the department.

(b) The department shall record the time of filing of each application for the department's approval of a tax credit and shall, except as provided in subsection (c), approve granting the credit to the person, if the person otherwise qualifies for a credit under this chapter, in the chronological order in which the application for the department's approval is filed in the year.

(c) If the total credits approved under this section equal the

maximum amount allowable in the year, the department may not approve an application for the credit filed later in that year.
As added by P.L.277-2013, SEC.6. Amended by P.L.212-2014, SEC.3.

IC 6-3.1-34.6-13
Credit carryover; no carryback or refund

Sec. 13. (a) If the amount of the credit determined under this chapter for a person in a taxable year exceeds the person's state tax liability for that taxable year, the person may carry over the excess to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the person to obtain a credit under this chapter for any subsequent taxable year. A credit may not be carried forward for more than six (6) taxable years following the taxable year in which the person is first entitled to claim the credit.

(b) A person is not entitled to a carryback or refund of any unused credit.
As added by P.L.277-2013, SEC.6.

IC 6-3.1-34.6-14
Credit sale, assignment, or transfer prohibited

Sec. 14. A person may not sell, assign, convey, or otherwise transfer the tax credit provided by this chapter.
As added by P.L.277-2013, SEC.6.

IC 6-3.5

ARTICLE 3.5. LOCAL TAXATION

IC 6-3.5-0.7

Chapter 0.7. Status of Certain Property Tax Credits

IC 6-3.5-0.7-1

Treatment of certain homestead credits provided under repealed statutes; calculation of credits

Sec. 1. Notwithstanding the repeal of IC 6-1.1-20.9 by P.L.146-2008, a provision in this article that refers to a credit as an additional homestead credit, an increased homestead credit, or a credit for property that is eligible for a homestead credit under IC 6-1.1-20.9 (repealed by P.L.146-2008) shall be treated after December 31, 2008, as continuing to permit a grant of a homestead credit against the property tax liability imposed on property that is eligible for a standard deduction under IC 6-1.1-12-37. The credit shall be calculated in the same manner as the credits were calculated before January 1, 2009.

As added by P.L.220-2011, SEC.144.

IC 6-3.5-0.7-2

Treatment of certain property tax replacement credits provided under repealed statutes; calculation of credits

Sec. 2. Notwithstanding the repeal of IC 6-1.1-21 by P.L.146-2008, a provision in this article that refers to a credit as an additional property tax replacement credit or an increased property tax replacement credit shall be treated after December 31, 2008, as continuing to permit the grant of a property tax replacement credit against property tax liability. The credit shall be calculated in the same manner as the credits were calculated before January 1, 2009.

As added by P.L.220-2011, SEC.144.

IC 6-3.5-0.8

Chapter 0.8. Adoption of Certain Ordinances Relating to a County Adjusted Gross Income Tax or a County Option Income Tax

IC 6-3.5-0.8-1

Adoption of additional county adjusted gross income tax rates during 2009

Sec. 1. Notwithstanding any provision in IC 6-3.5-1.1 (including the August 1 deadlines applicable under IC 6-3.5-1.1-24(a), IC 6-3.5-1.1-24(b), IC 6-3.5-1.1-25(i), and IC 6-3.5-1.1-26(e)), a county council may in 2009 adopt an additional county adjusted gross income tax rate under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 at any time before November 1, 2009.

As added by P.L.220-2011, SEC.145.

IC 6-3.5-0.8-2

Adoption of additional county option income tax rates during 2009

Sec. 2. Notwithstanding any provision in IC 6-3.5-6 (including the August 1 deadlines applicable under IC 6-3.5-6-30(a), IC 6-3.5-6-30(b), IC 6-3.5-6-31(i), and IC 6-3.5-6-32(e)), a county income tax council or county council, as applicable, may in 2009 adopt an additional county option income tax rate under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32 at any time before November 1, 2009.

As added by P.L.220-2011, SEC.145.

IC 6-3.5-0.8-3

Adoption of additional county income taxes; taking effect of rates

Sec. 3. Notwithstanding any provision of IC 6-3.5-1.1 or IC 6-3.5-6, any additional county adjusted gross income tax rate adopted in 2009 under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 and any additional county option income tax rate adopted in 2009 under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32 take effect as follows:

(1) In the case of an ordinance adopted before October 1, 2009, the tax rate takes effect October 1, 2009.

(2) In the case of an ordinance adopted after September 30, 2009, and before October 16, 2009, the tax rate takes effect November 1, 2009.

(3) In the case of an ordinance adopted after October 15, 2009, and before November 1, 2009, the tax rate takes effect December 1, 2009.

As added by P.L.220-2011, SEC.145.

IC 6-3.5-1
Repealed

(Repealed by P.L.73-1983, SEC.3.)

IC 6-3.5-1.1

Chapter 1.1. County Adjusted Gross Income Tax

IC 6-3.5-1.1-1

Definitions

Sec. 1. As used in this chapter:

"Adjusted gross income" has the same definition that the term is given in IC 6-3-1-3.5(a), except that in the case of a county taxpayer who is not a resident of a county that has imposed the county adjusted gross income tax, the term includes only adjusted gross income derived from the taxpayer's principal place of business or employment.

"Apartment complex" means real property consisting of at least five (5) units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days.

"Civil taxing unit" means any entity having the power to impose ad valorem property taxes except a school corporation. The term does not include a solid waste management district that is not entitled to a distribution under section 1.3 of this chapter. However, in the case of a consolidated city, the term "civil taxing unit" includes the consolidated city and all special taxing districts, all special service districts, and all entities whose budgets and property tax levies are subject to review under IC 36-3-6-9.

"County council" includes the city-county council of a consolidated city.

"County taxpayer" as it relates to a county for a year means any individual:

(1) who resides in that county on the date specified in section 16 of this chapter; or

(2) who maintains the taxpayer's principal place of business or employment in that county on the date specified in section 16 of this chapter and who does not on that same date reside in another county in which the county adjusted gross income tax, the county option income tax, or the county economic development income tax is in effect.

"Department" refers to the Indiana department of state revenue.

"Homestead" has the meaning set forth in IC 6-1.1-12-37.

"Nonresident county taxpayer" as it relates to a county for a year means any county taxpayer for that county for that year who is not a resident county taxpayer of that county for that year.

"Qualified residential property" refers to any of the following:

(1) An apartment complex.

(2) A homestead.

(3) Residential rental property.

"Resident county taxpayer" as it relates to a county for a year means any county taxpayer who resides in that county on the date specified in section 16 of this chapter.

"Residential rental property" means real property consisting of not more than four (4) units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30)

days.

"School corporation" means any public school corporation established under Indiana law.

As added by P.L.73-1983, SEC.2. Amended by P.L.44-1984, SEC.12; P.L.22-1988, SEC.3; P.L.96-1995, SEC.1; P.L.146-2008, SEC.326.

IC 6-3.5-1.1-1.1

Determination of allocation amount

Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units and school corporations in the county, the allocation amount for a civil taxing unit or school corporation is the amount determined using the following formula:

STEP ONE: Determine the sum of the total property taxes being collected by the civil taxing unit or school corporation during the calendar year of the distribution.

STEP TWO: Determine the sum of the following:

(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).

(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).

(C) The proceeds of any property that are:

(i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B); and

(ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the civil taxing unit's or school corporation's certified distribution for the previous calendar year.

The allocation amount is subject to adjustment as provided in IC 36-8-19-7.5.

(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation is not deducted from the allocation amount for a civil taxing unit or school corporation if:

(1) the debt obligation was issued; and

(2) the proceeds appropriated from property taxes;

to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease

had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit or school corporation if:

(1) the lease was issued; and

(2) the proceeds were appropriated from property taxes;

to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

As added by P.L.207-2005, SEC.1. Amended by P.L.182-2009(ss), SEC.209.

IC 6-3.5-1.1-1.3

Districts not entitled to distribution

Sec. 1.3. (a) This section applies to a county solid waste management district (as defined in IC 13-11-2-47) or a joint solid waste management district (as defined in IC 13-11-2-113).

(b) A district may not receive a distribution under this chapter unless a majority of the members of each of the county fiscal bodies of the counties within the district passes a resolution approving the distribution.

(c) A resolution passed by a county fiscal body under subsection (b) may:

(1) expire on a date specified in the resolution; or

(2) remain in effect until the county fiscal body revokes or rescinds the resolution.

As added by P.L.96-1995, SEC.2. Amended by P.L.1-1996, SEC.47; P.L.70-2001, SEC.1.

IC 6-3.5-1.1-1.5

Time within which to adopt ordinance; effective date of ordinances

Sec. 1.5. (a) Notwithstanding any other provision of this chapter, a power granted by this chapter to adopt an ordinance to:

(1) impose, increase, decrease, or rescind a tax or tax rate; or

(2) grant, increase, decrease, rescind, or change a homestead credit or property tax replacement credit authorized under this chapter;

may be exercised at any time in a year before November 1 of that

year.

(b) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that imposes, increases, decreases, or rescinds a tax or a tax rate takes effect as follows:

(1) An ordinance adopted after December 31 of the immediately preceding year and before September 1 of the current year takes effect on October 1 of the current year.

(2) An ordinance adopted after August 31 and before November 1 of the current year takes effect on January 1 of the following year.

(c) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that grants, increases, decreases, rescinds, or changes a homestead credit or property tax replacement credit authorized under this chapter takes effect for and applies to property taxes first due and payable in the year immediately following the year in which the ordinance is adopted.

(d) If the commissioner of the department determines that an ordinance described in subsection (b) was not adopted according to the requirements of this article or is otherwise not in compliance with this article:

(1) the commissioner shall:

(A) notify the county auditor that the ordinance was not adopted according to the requirements of this article or is not in compliance with this article; and

(B) specify the corrective action that must be taken for the ordinance to be adopted according to the requirements of this article and to be in compliance with this article; and

(2) the ordinance may not take effect until the corrective action is taken.

As added by P.L.113-2010, SEC.61. Amended by P.L.261-2013, SEC.2.

IC 6-3.5-1.1-2

Authorization; rate of tax; form and adoption of ordinance

Sec. 2. (a) The county council of any county in which the county option income tax will not be in effect on December 1 of a year under an ordinance adopted during a previous calendar year may impose the county adjusted gross income tax on the adjusted gross income of county taxpayers of its county.

(b) Except as provided in section 2.3, 2.5, 2.7, 2.8, 2.9, 3.3, 3.5, 3.6, 24, 25, or 26 of this chapter, the county adjusted gross income tax may be imposed at a rate of one-half of one percent (0.5%), three-fourths of one percent (0.75%), or one percent (1%) on the adjusted gross income of resident county taxpayers of the county. Any county imposing the county adjusted gross income tax must impose the tax on the nonresident county taxpayers at a rate of one-fourth of one percent (0.25%) on their adjusted gross income. If the county council elects to decrease the county adjusted gross income tax, the county council may decrease the county adjusted gross income tax rate in increments of one-tenth of one percent

(0.1%).

(c) To impose the county adjusted gross income tax, the county council must adopt an ordinance. The ordinance must substantially state the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (_____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county.".

(d) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) If the county adjusted gross income tax had previously been adopted by a county under IC 6-3.5-1 (before its repeal on March 15, 1983) and that tax was in effect at the time of the enactment of this chapter, then the county adjusted gross income tax continues in that county at the rates in effect at the time of enactment until the rates are modified or the tax is rescinded in the manner prescribed by this chapter. If a county's adjusted gross income tax is continued under this subsection, then the tax shall be treated as if it had been imposed under this chapter and is subject to rescission or reduction as authorized in this chapter.

As added by P.L.73-1983, SEC.2. Amended by P.L.44-1984, SEC.13; P.L.3-1990, SEC.24; P.L.35-1990, SEC.12; P.L.42-1994, SEC.1; P.L.119-1998, SEC.6; P.L.135-2001, SEC.1; P.L.178-2002, SEC.52; P.L.42-2003, SEC.1; P.L.162-2006, SEC.27; P.L.224-2007, SEC.54; P.L.77-2011, SEC.1; P.L.137-2012, SEC.64; P.L.261-2013, SEC.3.

IC 6-3.5-1.1-2.3

Jasper County; additional tax rate for criminal justice facilities

Sec. 2.3. (a) This section applies to Jasper County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, or equip:

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the

county to operate or maintain any of the facilities described in subsection (b)(1)(A) through (b)(1)(D) that are located in the county. The county council may make a determination under both this subsection and subsection (b).

(d) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%); or

(3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes a finding and determination set forth in subsection (b) or (c).

(e) If the county council imposes the tax under this section to pay for the purposes described in both subsections (b) and (c), when:

(1) the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed; and

(2) all bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid;

the county council shall, subject to subsection (d), establish a tax rate under this section by ordinance such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities described in subsection (b)(1)(A). The tax rate may not be imposed at a rate greater than is necessary to carry out the purposes described in subsections (b) and (c), as applicable.

(f) The tax imposed under this section may be imposed only until the latest of the following:

(1) The date on which the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed.

(2) The date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid.

(3) The date on which an ordinance adopted under subsection (c) is rescinded.

(g) The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(h) The county treasurer shall establish a criminal justice facilities revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the criminal justice facilities revenue fund before making a certified distribution under section 11 of this chapter.

(i) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for any or all the purposes described in subsection (b).

(j) Notwithstanding any other law, money remaining in the criminal justice facilities revenue fund established under subsection (h) after the tax imposed by this section is terminated under subsection (f) shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

As added by P.L.162-2006, SEC.28. Amended by P.L.1-2007, SEC.59; P.L.224-2007, SEC.55; P.L.77-2011, SEC.2.

IC 6-3.5-1.1-2.5

Jackson County; additional tax for jail and juvenile detention center

Sec. 2.5. (a) This section applies only to Jackson County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to fund the operation and maintenance of a jail and juvenile detention center opened after July 1, 1998.

(c) Notwithstanding section 2 of this chapter, if the county council adopts an ordinance under subsection (b), the county council may impose the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) on adjusted gross income for calendar years ending before January 1, 2024. For calendar years beginning after December 31, 2023, the rate is reduced to one percent (1%). If the county council imposes the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%), the county council may decrease the rate or rescind the tax in the manner provided under this chapter.

(d) If the county imposes the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under this section, the revenue derived from a tax rate of one-tenth percent (0.1%) on adjusted gross income:

(1) shall be paid to the county treasurer;

(2) may be used only to pay the costs of operating a jail and juvenile detention center opened after July 1, 1998; and

(3) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5.

As added by P.L.119-1998, SEC.7. Amended by P.L.89-2001, SEC.3; P.L.90-2002, SEC.289; P.L.184-2006, SEC.5; P.L.119-2012, SEC.37; P.L.293-2013(ts), SEC.15.

IC 6-3.5-1.1-2.6

Repealed

(Repealed by P.L.137-2012, SEC.65.)

IC 6-3.5-1.1-2.7

Wayne County; additional county adjusted gross income tax

Sec. 2.7. (a) This section applies to Wayne County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, or equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued, or leases entered into, for constructing, acquiring, improving, renovating, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land.

(c) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%); or

(3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (b). The tax imposed under this section may be imposed only until the later of the date on which the financing on, acquisition, improvement, renovation, and equipping described in subsection (b) is completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(d) If the county council makes a determination under subsection (b), the county council may adopt a tax rate under subsection (c). The tax rate may not be imposed at a rate greater than is necessary to pay the costs of financing, acquiring, improving, renovating, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land.

(e) The county treasurer shall establish a county jail revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(f) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum

permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued, or leases entered into, for purposes described in subsection (b).

(g) Wayne County possesses unique economic development challenges due to underemployment in relation to similarly situated counties. Maintaining low property tax rates is essential to economic development and the use of county adjusted gross income tax revenues as provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described under subsection (b), rather than use of property taxes, promotes that purpose.

(h) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

(1) the redemption of bonds issued; or

(2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

As added by P.L.135-2001, SEC.2. Amended by P.L.1-2002, SEC.33 and P.L.90-2002, SEC.290; P.L.119-2012, SEC.38.

IC 6-3.5-1.1-2.8

Elkhart County, Marshall County; additional rate for criminal justice facilities; fund; use of additional revenue; balance transfer to county highway fund

Sec. 2.8. (a) This section applies to the following counties:

(1) Elkhart County.

(2) Marshall County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, or equip:

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to operate or maintain:

(1) jail facilities;

(2) juvenile court, detention, and probation facilities;

(3) other criminal justice facilities; and

(4) related buildings and parking facilities;

located in the county. A county council of a county named in subsection (a)(1) or (a)(2) may make a determination under both this

subsection and subsection (b).

(d) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%); or

(3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes a finding and determination set forth in subsection (b) or (c). The tax rate may not be imposed at a rate greater than is necessary to carry out the purposes described in subsections (b) and (c), as applicable.

(e) This subsection applies only to Elkhart County. If the county council imposes the tax under this section to pay for the purposes described in both subsections (b) and (c), when:

(1) the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed; and

(2) all bonds issued (including any refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid;

the county council shall, subject to subsection (d), establish a tax rate under this section by ordinance such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities referred to in subsection (b)(1)(A).

(f) The tax imposed under this section may be imposed only until the last of the following dates:

(1) The date on which the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed.

(2) The date on which the last of any bonds issued (including any refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid.

(3) If the county imposing the tax under this section is Elkhart County, the date on which an ordinance adopted under subsection (c) is rescinded.

(g) The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(h) The county treasurer shall establish a criminal justice facilities revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the criminal justice facilities revenue fund before making a certified distribution under section 11 of this chapter.

(i) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for any or all the purposes described in subsection (b).

(j) Notwithstanding any other law, money remaining in the criminal justice facilities revenue fund established under subsection (h) after the tax imposed by this section is terminated under subsection (f) shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

As added by P.L.178-2002, SEC.53. Amended by P.L.147-2006, SEC.1; P.L.119-2012, SEC.39.

IC 6-3.5-1.1-2.9

Daviess County; additional rate for county jail facilities; fund; use of additional revenue; balance transfer to county highway fund

Sec. 2.9. (a) This section applies to Daviess County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, remodel, or equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and

(2) repay bonds issued or leases entered into for constructing, acquiring, improving, renovating, remodeling, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(c) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%); or

(3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (b). The tax imposed under this section may be imposed only until the later of the date on which the financing on, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b) are completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty-five (25) years.

(d) If the county council makes a determination under subsection

(b), the county council may adopt a tax rate under subsection (c). The tax rate may not be imposed at a rate greater than is necessary to pay the costs of financing, acquiring, improving, renovating, remodeling, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(e) The county treasurer shall establish a county jail revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(f) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for purposes described in subsection (b).

(g) Daviess County possesses unique governmental and economic development challenges due to:

(1) underemployment in relation to similarly situated counties and the loss of a major manufacturing business;

(2) an increase in property taxes for taxable years after December 31, 2000, for the construction of a new elementary school; and

(3) overcrowding of the county jail, the costs associated with housing the county's inmates outside the county, and the potential unavailability of additional housing for inmates outside the county.

The use of county adjusted gross income tax revenues as provided in this chapter is necessary for the county to provide adequate jail capacity in the county and to maintain low property tax rates essential to economic development. The use of county adjusted gross income tax revenues as provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b), rather than the use of property taxes, promotes those purposes.

(h) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

(1) the redemption of bonds issued; or

(2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

As added by P.L.178-2002, SEC.54. Amended by P.L.1-2003,

SEC.39; P.L.119-2012, SEC.40.

IC 6-3.5-1.1-3
Increase of tax rate; ordinance; requisites

Sec. 3. (a) The county council may increase the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county. To increase the rate, the county council must adopt an ordinance. The ordinance must substantially state the following:

> "The _____ County Council increases the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county from _____ percent (___%) to _____ percent (___%).".

(b) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

As added by P.L.73-1983, SEC.2. Amended by P.L.35-1990, SEC.13; P.L.224-2007, SEC.57; P.L.77-2011, SEC.3; P.L.137-2012, SEC.66; P.L.261-2013, SEC.4.

IC 6-3.5-1.1-3.1
Decrease in tax rate; adoption of ordinance; procedures

Sec. 3.1. (a) The county council may decrease the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county. To decrease the rate, the county council must adopt an ordinance. The ordinance must substantially state the following:

> "The _____ County Council decreases the county adjusted gross income tax rate imposed upon the resident county taxpayers of the county from _____ percent (___%) to _____ percent (___%).".

(b) A county council may not decrease the county adjusted gross income tax rate if the county or any commission, board, department, or authority that is authorized by statute to pledge the county adjusted gross income tax has pledged the county adjusted gross income tax for any purpose permitted by IC 5-1-14 or any other statute.

(c) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(d) Notwithstanding IC 6-3.5-7, and except as provided in subsection (e), a county council that decreases the county adjusted gross income tax rate in a year may not in the same year adopt or increase the county economic development income tax under IC 6-3.5-7.

(e) This subsection applies only to LaPorte County. The county council may adopt or increase the county economic development income tax rate under IC 6-3.5-7 in the same year that the county council decreases the county adjusted gross income tax rate if the county economic development income tax rate plus the county adjusted gross income tax rate in effect after the county council decreases the county adjusted gross income tax rate is less than the county adjusted gross income tax rate in effect before the adoption of an ordinance under this section decreasing the rate of the county adjusted gross income tax.

As added by P.L.42-1994, SEC.2. Amended by P.L.10-1997, SEC.13; P.L.170-2002, SEC.26; P.L.224-2007, SEC.58; P.L.77-2011, SEC.4; P.L.119-2012, SEC.41; P.L.137-2012, SEC.67; P.L.261-2013, SEC.5.

IC 6-3.5-1.1-3.3

Additional rate for jail facilities in county subject to federal court order; use of additional revenues

Sec. 3.3. (a) This section applies only to a county that:

(1) operates a county jail that is subject to an order that:

(A) was issued by a federal district court before January 1, 2003; and

(B) has not been terminated;

(2) operates a county jail that fails to meet:

(A) American Correctional Association Jail Construction Standards; and

(B) Indiana jail operation standards adopted by the department of correction; and

(3) has insufficient revenue to finance the construction, acquisition, improvement, renovation, and equipping of a county jail and related buildings and parking facilities.

(b) For purposes of this section, "county jail" includes any other penal facility that is:

(1) located in; and

(2) operated by;

the county.

(c) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, or equip a county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued or leases entered into for constructing, acquiring, improving, renovating, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land.

(d) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax

at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (c). The tax imposed under this section may be imposed only until the later of the date on which the financing on acquisition, improvement, renovation, and equipping described in subsection (c) is completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (c) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (c)(2) may not exceed thirty (30) years.

(e) If the county council makes a determination under subsection (c), the county council may adopt a tax rate under subsection (d). The tax rate may not be imposed at a rate greater than is necessary to pay the costs of financing, acquiring, improving, renovating, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings and the acquisition of land.

(f) The county treasurer shall establish a county jail revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(g) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for purposes described in subsection (c).

(h) A county described in subsection (a) possesses unique economic development challenges due to underemployment in relation to similarly situated counties. Maintaining low property tax rates is essential to economic development. The use of county adjusted gross income tax revenues as provided in this chapter, rather than use of property taxes, to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (c) promotes that purpose.

(i) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

(1) the redemption of bonds issued; or

(2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county general fund.

As added by P.L.42-2003, SEC.2.

IC 6-3.5-1.1-3.5

Pulaski County; additional tax for jail and justice center

Sec. 3.5. (a) This section applies only to Pulaski County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to fund the operation and maintenance of a jail and justice center.

(c) Notwithstanding section 2 of this chapter, if the county council adopts an ordinance under subsection (b), the county council may impose the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) on adjusted gross income. However, a county may impose the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) only for calendar years beginning before January 1, 2021. If the county council imposes the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%), the county council may decrease the rate or rescind the tax in the manner provided under this chapter. If an augmented county adjusted gross income tax rate authorized by this section is in effect in the county on December 31, 2020, the rate is reduced to one percent (1%) after December 31, 2020.

(d) If the county imposes the county adjusted gross income tax at an additional rate under this section, the revenue derived from the additional tax rate on adjusted gross income:

(1) shall be paid to the county treasurer;

(2) may be used only to pay the costs of operating and maintaining a jail and justice center; and

(3) may not be considered by the department of local government finance under any provision of IC 6-1.1-18.5, including the determination of the county's maximum permissible property tax levy.

As added by P.L.119-1998, SEC.8. Amended by P.L.89-2001, SEC.4; P.L.90-2002, SEC.291; P.L.224-2007, SEC.59; P.L.119-2012, SEC.42; P.L.293-2013(ts), SEC.16.

IC 6-3.5-1.1-3.6

Union County; additional rate for county courthouse; fund; use of additional revenue; balance transfer to county highway fund

Sec. 3.6. (a) This section applies only to Union County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, or equip the county courthouse; and

(2) repay bonds issued, or leases entered into, for constructing, acquiring, improving, renovating, and equipping the county courthouse.

(c) In addition to the rates permitted under section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (b). The

tax imposed under this section may be imposed only until the later of the date on which the financing on, acquisition, improvement, renovation, and equipping described in subsection (b) is completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty-two (22) years.

(d) If the county council makes a determination under subsection (b), the county council may adopt a tax rate under subsection (c). The tax rate may not be imposed for a time greater than is necessary to pay the costs of financing, constructing, acquiring, renovating, and equipping the county courthouse.

(e) The county treasurer shall establish a county courthouse revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county courthouse revenue fund before a certified distribution is made under section 11 of this chapter.

(f) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for purposes described in subsection (b).

(g) Union County possesses unique economic development challenges due to:

(1) the county's heavy agricultural base;

(2) the presence of a large amount of state owned property in the county that is exempt from property taxation; and

(3) recent obligations of the school corporation in the county that have already increased property taxes in the county and imposed additional property tax burdens on the county's agricultural base.

Maintaining low property tax rates is essential to economic development. The use of county adjusted gross income tax revenues as provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b), rather than the use of property taxes, promotes that purpose.

(h) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

(1) the redemption of the bonds issued; or

(2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county

highways, roads, and bridges.
As added by P.L.178-2002, SEC.55. Amended by P.L.1-2003, SEC.40; P.L.97-2004, SEC.29; P.L.119-2012, SEC.43.

IC 6-3.5-1.1-4
Duration of tax; rescission of tax; ordinance

Sec. 4. (a) The county adjusted gross income tax imposed by a county council under this chapter remains in effect until rescinded.

(b) Except as provided in subsection (d), the county council may rescind the county adjusted gross income tax by adopting an ordinance to rescind the tax.

(c) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(d) A county council may not rescind the county adjusted gross income tax or take any action that would result in a civil taxing unit in the county having a smaller certified share than the certified share to which the civil taxing unit was entitled when the civil taxing unit pledged county adjusted gross income tax if the civil taxing unit or any commission, board, department, or authority that is authorized by statute to pledge county adjusted gross income tax has pledged county adjusted gross income tax for any purpose permitted by IC 5-1-14 or any other statute. The prohibition in this section does not apply if the civil taxing unit pledges legally available revenues to fully replace the civil taxing unit's certified share that has been pledged.
As added by P.L.73-1983, SEC.2. Amended by P.L.35-1990, SEC.14; P.L.224-2007, SEC.60; P.L.77-2011, SEC.5; P.L.137-2012, SEC.68; P.L.261-2013, SEC.6.

IC 6-3.5-1.1-5
Tax in effect part of year; computation

Sec. 5. (a) Except as provided in subsections (b) through (c), if the county adjusted gross income tax is not in effect during a county taxpayer's entire taxable year, then the amount of county adjusted gross income tax that the county taxpayer owes for that taxable year equals the product of:

(1) the amount of county adjusted gross income tax the county taxpayer would owe if the tax had been imposed during the county taxpayer's entire taxable year; multiplied by

(2) a fraction:

(A) The numerator of the fraction equals the number of days during the county taxpayer's taxable year during which the county adjusted gross income tax was in effect.

(B) The denominator of the fraction equals the total number of days in the county taxpayer's taxable year.

(b) If a county taxpayer:

(1) is unemployed for a part of the taxpayer's taxable year;

(2) was not discharged for just cause (as defined in IC 22-4-15-1(e)); and

(3) has no earned income for the part of the taxpayer's taxable year that the tax was in effect;

the county taxpayer's adjusted gross income for the taxable year is reduced by the amount of the taxpayer's earned income for the taxable year.

(c) A taxpayer who qualifies under subsection (b) must file a claim for a refund for the difference between the county adjusted gross income tax owed, as determined under subsection (a), and the tax owed, as determined under subsection (b). A claim for a refund must be on a form approved by the department and include all supporting documentation reasonably required by the department.

As added by P.L.73-1983, SEC.2. Amended by P.L.96-1987, SEC.1.

IC 6-3.5-1.1-6

Credit for taxes imposed by governmental entities outside Indiana

Sec. 6. (a) Except as provided in subsection (b), if for a particular taxable year a county taxpayer is liable for an income tax imposed by a county, city, town, or other local governmental entity located outside of Indiana, that county taxpayer is entitled to a credit against his county adjusted gross income tax liability for that same taxable year. The amount of the credit equals the amount of tax imposed by the other governmental entity on income derived from sources outside Indiana and subject to the county adjusted gross income tax. However, the credit provided by this section may not reduce a county taxpayer's county adjusted gross income tax liability to an amount less than would have been owed if the income subject to taxation by the other governmental entity had been ignored.

(b) The credit provided by this section does not apply to a county taxpayer to the extent that the other governmental entity provides for a credit to the taxpayer for the amount of county adjusted gross income taxes owed under this chapter.

(c) To claim the credit provided by this section, a county taxpayer must provide the department with satisfactory evidence that he is entitled to the credit.

As added by P.L.73-1983, SEC.2.

IC 6-3.5-1.1-7

Credit for the elderly and persons with a total disability; computation

Sec. 7. (a) If for a particular taxable year a county taxpayer is, or a county taxpayer and the taxpayer's spouse who file a joint return are, allowed a credit for the elderly or individuals with a total disability under Section 22 of the Internal Revenue Code, the county taxpayer is, or the county taxpayer and the taxpayer's spouse are, entitled to a credit against the taxpayer's or the taxpayer's and the taxpayer's spouse's county adjusted gross income tax liability for that

same taxable year. The amount of the credit equals the lesser of:

(1) the product of:

(A) the taxpayer's or the taxpayer's and the taxpayer's spouse's credit for the elderly or individuals with a total disability for that same taxable year; multiplied by

(B) a fraction, the numerator of which is the county adjusted gross income tax rate imposed against the county taxpayer, or the county taxpayer and the taxpayer's spouse, and the denominator of which is fifteen hundredths (0.15); or

(2) the amount of county adjusted gross income tax imposed on the county taxpayer, or the county taxpayer and the taxpayer's spouse.

(b) If a county taxpayer and the taxpayer's spouse file a joint return and are subject to different county adjusted gross income tax rates for the same taxable year, they shall compute the credit under this section by using the formula provided by subsection (a), except that they shall use the average of the two (2) county adjusted gross income tax rates imposed against them as the numerator referred to in subsection (a)(1)(B).

As added by P.L.73-1983, SEC.2. Amended by P.L.23-1986, SEC.5; P.L.63-1988, SEC.9; P.L.99-2007, SEC.27.

IC 6-3.5-1.1-8

Accounts in state general fund; deposits

Sec. 8. (a) A special account within the state general fund shall be established for each county adopting the county adjusted gross income tax. Any revenue derived from the imposition of the county adjusted gross income tax by a county shall be deposited in that county's account in the state general fund.

(b) Any income earned on money held in an account under subsection (a) becomes a part of that account.

(c) Any revenue remaining in an account established under subsection (a) at the end of a fiscal year does not revert to the state general fund.

As added by P.L.73-1983, SEC.2.

IC 6-3.5-1.1-9

Calculation of certified distribution; summary of calculation; notice to county auditor; notice to taxing units

Sec. 9. (a) Revenue derived from the imposition of the county adjusted gross income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount to be distributed to a county during an ensuing calendar year equals the amount of county adjusted gross income tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending before the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted for refunds of county adjusted gross income tax made in the state fiscal year.

(b) Before August 2 of each calendar year, the budget agency shall provide to the county auditor of each adopting county an estimate of the amount determined under subsection (a) that will be distributed to the county, based on known tax rates. Not later than thirty (30) days after receiving the estimate of the certified distribution, the county auditor shall notify each taxing unit of the estimated amount of property tax replacement credits, certified shares, and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. Before October 1 of each calendar year, the budget agency shall certify to the county auditor of each adopting county the amount determined under subsection (a) plus the amount of interest in the county's account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the county's "certified distribution" for the immediately succeeding calendar year. The amount certified shall be adjusted under subsections (c), (d), (e), (f), and (g). Not later than thirty (30) days after receiving the notice of the amount of the certified distribution, the county auditor shall notify each taxing unit of the amount of property tax replacement credits, certified shares, and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. The budget agency shall provide the county council with an informative summary of the calculations used to determine the certified distribution. The summary of calculations must include:

(1) the amount reported on individual income tax returns processed by the department during the previous fiscal year;

(2) adjustments for over distributions in prior years;

(3) adjustments for clerical or mathematical errors in prior years;

(4) adjustments for tax rate changes; and

(5) the amount of excess account balances to be distributed under IC 6-3.5-1.1-21.1.

The budget agency shall also certify information concerning the part of the certified distribution that is attributable to a tax rate under section 24, 25, or 26 of this chapter. This information must be certified to the county auditor, the department, and the department of local government finance before October 1 of each calendar year. The part of the certified distribution that is attributable to a tax rate under section 24, 25, or 26 of this chapter may be used only as specified in those provisions.

(c) The budget agency shall certify an amount less than the amount determined under subsection (b) if the budget agency determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The budget agency may reduce the amount of the certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(d) The budget agency shall adjust the certified distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this section. The budget agency may reduce the amount of the certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(e) This subsection applies to a county that initially imposes, increases, decreases, or rescinds a tax or tax rate under this chapter before November 1 in the same calendar year in which the budget agency makes a certification under this section. The budget agency shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in subsection (a)(1) through (a)(2) in the manner provided in subsection (c). If the county imposes, increases, decreases, or rescinds a tax or tax rate under this chapter after the date for which a certification under subsection (b) is based, the budget agency shall adjust the certified distribution of the county after September 30 of the calendar year. The adjustment shall reflect any other adjustment required under subsections (c), (d), (f), and (g). The adjusted certification shall be treated as the county's "certified distribution" for the immediately succeeding calendar year. The budget agency shall certify the adjusted certified distribution to the county auditor for the county and provide the county council with an informative summary of the calculations that revises the informative summary provided in subsection (b) and reflects the changes made in the adjustment.

(f) The budget agency shall adjust the certified distribution of a county to provide the county with the distribution required under section 3.3 of this chapter beginning not later than the tenth month after the month in which additional revenue from the tax authorized under section 3.3 of this chapter is initially collected.

(g) This subsection applies in the year in which a county initially imposes a tax rate under section 24 of this chapter. Notwithstanding any other provision, the budget agency shall adjust the part of the county's certified distribution that is attributable to the tax rate under section 24 of this chapter to provide for a distribution in the immediately following calendar year equal to the result of:

(1) the sum of the amounts determined under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) in the year in which the county initially imposes a tax rate under section 24 of this chapter; multiplied by

(2) two (2).

(h) The budget agency shall before May 1 of every odd-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following two (2) calendar years.

(i) The budget agency shall before May 1 of every even-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following

calendar year.

(j) The estimates under subsections (h) and (i) must specify the amount of the estimated certified distributions that are attributable to the additional rate authorized under section 24 of this chapter, the additional rate authorized under section 25 of this chapter, the additional rate authorized under section 26 of this chapter, and any other additional rates authorized under this chapter.

As added by P.L.73-1983, SEC.2. Amended by P.L.23-1986, SEC.6; P.L.267-2003, SEC.3; P.L.207-2005, SEC.2; P.L.224-2007, SEC.61; P.L.146-2008, SEC.327; P.L.182-2009(ss), SEC.210; P.L.113-2010, SEC.62; P.L.229-2011, SEC.88; P.L.137-2012, SEC.69; P.L.261-2013, SEC.7; P.L.153-2014, SEC.2.

IC 6-3.5-1.1-9.5
Repealed

(Repealed by P.L.267-2003, SEC.16.)

IC 6-3.5-1.1-10
Distribution of revenue; time; use

Sec. 10. (a) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 8 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(b) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county

courthouse under section 3.6 of this chapter; or

(7) revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

distributions made to a county treasurer under subsection (a) shall be treated as though they were property taxes that were due and payable during that same calendar year. Except as provided by sections 24, 25, and 26 of this chapter, the certified distribution shall be distributed and used by the taxing units and school corporations as provided in sections 11 through 15 of this chapter.

(c) All distributions from an account established under section 8 of this chapter shall be made by warrants issued by the auditor of the state to the treasurer of the state ordering the appropriate payments. *As added by P.L.73-1983, SEC.2. Amended by P.L.119-1998, SEC.9; P.L.135-2001, SEC.3; P.L.157-2002, SEC.2; P.L.178-2002, SEC.57; P.L.1-2003, SEC.41; P.L.42-2003, SEC.3; P.L.147-2006, SEC.2; P.L.162-2006, SEC.29; P.L.2-2006, SEC.68; P.L.1-2007, SEC.60; P.L.224-2007, SEC.62; P.L.77-2011, SEC.6; P.L.119-2012, SEC.44; P.L.137-2012, SEC.70.*

IC 6-3.5-1.1-11

Property tax replacement; calculation of certified shares

Sec. 11. (a) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter; or

(7) revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

the certified distribution received by a county treasurer shall, in the manner prescribed in this section, be allocated, distributed, and used by the civil taxing units and school corporations of the county as certified shares and property tax replacement credits.

(b) Before August 10 of each calendar year, each county auditor shall determine the part of the certified distribution for the next succeeding calendar year that will be allocated as property tax replacement credits and the part that will be allocated as certified shares. The percentage of a certified distribution that will be allocated as property tax replacement credits or as certified shares depends upon the county adjusted gross income tax rate for resident county taxpayers in effect on December 1 of the calendar year that precedes the year in which the certified distribution will be received by two (2) years. The percentages are set forth in the following table:

COUNTY ADJUSTED GROSS INCOME TAX RATE	PROPERTY TAX REPLACEMENT CREDITS	CERTIFIED SHARES
0.5%	50%	50%
0.75%	33 1/3%	66 2/3%
1%	25%	75%

(c) The part of a certified distribution that constitutes property tax replacement credits shall be distributed as provided under sections 12, 13, and 14 of this chapter.

(d) The part of a certified distribution that constitutes certified shares shall be distributed as provided by section 15 of this chapter.
As added by P.L.73-1983, SEC.2. Amended by P.L.119-1998, SEC.10; P.L.135-2001, SEC.4; P.L.178-2002, SEC.58; P.L.42-2003, SEC.4; P.L.267-2003, SEC.4; P.L.147-2006, SEC.3; P.L.162-2006, SEC.30; P.L.1-2007, SEC.61; P.L.224-2007, SEC.63; P.L.77-2011, SEC.7.

IC 6-3.5-1.1-11.5
Timing of income tax distributions within the county

Sec. 11.5. (a) The county auditor shall timely distribute the part of the certified distribution received under section 10 of this chapter that constitutes property tax replacement credits to each civil taxing unit and school corporation that is a recipient of property tax replacement credits as provided by sections 12, 13, and 14 of this chapter.

(b) The county auditor shall timely distribute the part of a certified distribution received under section 10 of this chapter that constitutes certified shares to each civil taxing unit that is a recipient of certified shares as provided by section 15 of this chapter.

(c) A distribution is considered to be timely made if the distribution is made not later than ten (10) working days after the date the county treasurer receives the county's certified distribution under section 10 of this chapter.
As added by P.L.26-2009, SEC.1.

IC 6-3.5-1.1-12

Allocation of property tax replacement credits; amount; formula; certification

Sec. 12. (a) The part of a county's certified distribution for a calendar year that is to be used as property tax replacement credits shall be allocated by the county auditor among the civil taxing units and school corporations of the county.

(b) Except as provided in section 13 of this chapter, the amount of property tax replacement credits that each civil taxing unit and school corporation in a county is entitled to receive during a calendar year equals the product of:

(1) that part of the county's certified distribution that is dedicated to providing property tax replacement credits for that same calendar year; multiplied by

(2) a fraction:

(A) The numerator of the fraction equals the allocation amount for the civil taxing unit or school corporation during that calendar year.

(B) The denominator of the fraction equals the sum of the allocation amounts for all the civil taxing units and school corporations of the county for that calendar year.

(c) The department of local government finance shall provide each county auditor with the amount of property tax replacement credits that each civil taxing unit and school corporation in the auditor's county is entitled to receive under this section. The county auditor shall then certify to each civil taxing unit and school corporation the amount of property tax replacement credits it is entitled to receive (after adjustment made under section 13 of this chapter) under this section during that calendar year. The county auditor shall also certify these distributions to the county treasurer.

As added by P.L.73-1983, SEC.2. Amended by P.L.90-2002, SEC.293; P.L.207-2005, SEC.3.

IC 6-3.5-1.1-13

Allocation of replacement credits; tax levy not due in same year as credit distribution; amount; formula; adjustments

Sec. 13. (a) If a civil taxing unit or school corporation of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which property tax replacement credits are being distributed, that civil taxing unit or school corporation is entitled to receive a proportion of the property tax replacement credits to be distributed within the county. The amount such a civil taxing unit or school corporation is entitled to receive during that calendar year equals the product of:

(1) the part of the county's certified distribution that is to be used to provide property tax replacement credits during that calendar year; multiplied by

(2) a fraction:

(A) The numerator of the fraction equals the budget of that civil taxing unit or school corporation for that calendar year.

(B) The denominator of the fraction equals the aggregate

budgets of all civil taxing units and school corporations of that county for that calendar year.

(b) If for a calendar year a civil taxing unit or school corporation is allocated a proportion of a county's property tax replacement credits by this section then the formula used in section 12 of this chapter to determine all other civil taxing units' and school corporations' property tax replacement credits shall be changed for that same year by reducing the amount dedicated to providing property tax replacement credits by the amount of property tax replacement credits allocated under this section for that same calendar year. The department of local government finance shall make any adjustments required by this section and provide them to the appropriate county auditors.

As added by P.L.73-1983, SEC.2. Amended by P.L.90-2002, SEC.294.

IC 6-3.5-1.1-14

Replacement credits; determination limited; multiple county taxing units; effect upon budget, property tax rates, and school funds

Sec. 14. (a) In determining the amount of property tax replacement credits civil taxing units and school corporations of a county are entitled to receive during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property that was assessed in that county.

(b) If a civil taxing unit or a school corporation is located in more than one (1) county and receives property tax replacement credits from one (1) or more of the counties, then the property tax replacement credits received from each county shall be used only to reduce the property tax rates that are imposed within the county that distributed the property tax replacement credits.

(c) A civil taxing unit shall treat any property tax replacement credits that it receives or is to receive during a particular calendar year as a part of its property tax levy for that same calendar year for purposes of fixing its budget and for purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

(d) Subject to subsection (e), if a civil taxing unit or school corporation of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which property tax replacement credits are being distributed, the civil taxing unit or school corporation is entitled to use the property tax replacement credits distributed to the civil taxing unit or school corporation for any purpose for which a property tax levy could be used.

(e) A school corporation shall treat any property tax replacement credits that the school corporation receives or is to receive during a particular calendar year as a part of its property tax levy for its debt service fund, capital projects fund, transportation fund, and school bus replacement fund in proportion to the levy for each of these funds for that same calendar year for purposes of fixing its budget. A school corporation shall allocate the property tax replacement credits described in this subsection to all four (4) funds in proportion to the

levy for each fund.
As added by P.L.73-1983, SEC.2. Amended by P.L.25-1995, SEC.56; P.L.90-2002, SEC.295; P.L.207-2005, SEC.4; P.L.2-2006, SEC.69; P.L.146-2008, SEC.328; P.L.182-2009(ss), SEC.211.

IC 6-3.5-1.1-15
Attributed allocation amount; allocation of certified shares

Sec. 15. (a) As used in this section, "attributed allocation amount" of a civil taxing unit for a calendar year means the sum of:

(1) the allocation amount of the civil taxing unit for that calendar year; plus

(2) the current ad valorem property tax levy of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus

(3) in the case of a county, an amount equal to the welfare allocation amount.

The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under this chapter or IC 6-3.5-6 in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund and children with special health care needs county fund.

(b) The part of a county's certified distribution that is to be used as certified shares shall be allocated only among the county's civil taxing units. Each civil taxing unit of a county is entitled to receive a certified share during a calendar year in an amount determined in STEP TWO of the following formula:

STEP ONE: Divide:

(A) the attributed allocation amount of the civil taxing unit during that calendar year; by

(B) the sum of the attributed allocation amounts of all the civil taxing units of the county during that calendar year.

STEP TWO: Multiply the part of the county's certified distribution that is to be used as certified shares by the STEP ONE amount.

(c) The department of local government finance shall determine the attributed levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ad valorem property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection (a)(2), then the special taxing district, authority, board, or other entity shall not be treated as having an attributed allocation amount of its own. The department of local government finance shall certify the attributed allocation amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of the auditor's county.

(d) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed allocation amount.

As added by P.L.73-1983, SEC.2. Amended by P.L.273-1999, SEC.69; P.L.283-2001, SEC.2; P.L.120-2002, SEC.2; P.L.255-2003, SEC.2; P.L.207-2005, SEC.5; P.L.224-2007, SEC.64; P.L.146-2008, SEC.329; P.L.182-2009(ss), SEC.212.

IC 6-3.5-1.1-16

County residency and place of business or employment; determination

Sec. 16. (a) For purposes of this chapter, an individual shall be treated as a resident of the county in which he:

(1) maintains a home if the individual maintains only one (1) in Indiana;

(2) if subdivision (1) does not apply, is registered to vote;

(3) if neither subdivision (1) or (2) applies, registers his personal automobile; or

(4) if neither subdivision (1), (2), or (3) applies, spends the majority of his time spent in Indiana during the taxable year in question.

(b) The residence or principal place of business or employment of an individual is to be determined on January 1 of the calendar year in which the individual's taxable year commences. If an individual changes the location of his residence or principal place of employment or business to another county in Indiana during a calendar year, his liability for county adjusted gross income tax is not affected.

(c) Notwithstanding subsection (b), if an individual becomes a county taxpayer for purposes of IC 36-7-27 during a calendar year because the individual:

(1) changes the location of the individual's residence to a county in which the individual begins employment or business at a qualified economic development tax project (as defined in IC 36-7-27-9); or

(2) changes the location of the individual's principal place of employment or business to a qualified economic development tax project and does not reside in another county in which the county adjusted gross income tax is in effect;

the individual's adjusted gross income attributable to employment or business at the qualified economic development tax project is taxable only by the county containing the qualified economic development tax project.

As added by P.L.73-1983, SEC.2. Amended by P.L.42-1994, SEC.3.

IC 6-3.5-1.1-17

Reciprocity agreements between local governmental entities

Sec. 17. (a) The county council of any adopting county may adopt an ordinance to enter into reciprocity agreements with the taxing authority of any city, town, municipality, county, or other similar local government entity of any other state. Such a reciprocity agreement must provide that the income of resident county taxpayers is exempt from income taxation by the other local governmental entity to the extent that income of the residents of the other local governmental entity is exempt from the county adjusted gross income tax in the adopting county.

(b) A reciprocity agreement entered into under subsection (a) may not become effective until it is also made effective in the other local governmental entity that is a party to the agreement.

(c) The form and effective date of any reciprocity agreement described in this section must be approved by the department.

As added by P.L.73-1983, SEC.2.

IC 6-3.5-1.1-18

Adjusted gross income tax provisions; applicability; employer's withholding report

Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;
(2) declarations of estimated tax;
(3) filing of returns;
(4) remittances;
(5) incorporation of the provisions of the Internal Revenue Code;
(6) penalties and interest;
(7) exclusion of military pay credits for withholding; and
(8) exemptions and deductions;

apply to the imposition, collection, and administration of the tax imposed by this chapter.

(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings attributable to each county. This report shall be submitted to the department:

(1) each time the employer remits to the department the tax that is withheld; and
(2) annually along with the employer's annual withholding report.

As added by P.L.73-1983, SEC.2. Amended by P.L.82-1983, SEC.9; P.L.23-1986, SEC.7; P.L.57-1997, SEC.4; P.L.146-2008, SEC.330.

IC 6-3.5-1.1-19

Citation to prior law; continued effect of rules

Sec. 19. (a) If a provision of the prior county adjusted gross income tax law (IC 6-3.5-1) has been replaced in the same form or in a restated form, by a provision of this chapter, then a citation to the

provision of the prior law shall be construed as a citation to the corresponding provision of this chapter.

(b) Any rule adopted under, and applicable to, the prior county adjusted gross income tax law (IC 6-3.5-1) continues in effect under this chapter if the provisions under which it was adopted and to which it was applicable were replaced, in the same or restated form, by corresponding provisions of this chapter.

As added by P.L.73-1983, SEC.2.

IC 6-3.5-1.1-21

Annual report to county auditor

Sec. 21. Before November 2 of each year, the budget agency shall submit a report to each county auditor indicating the balance in the county's adjusted gross income tax account as of the cutoff date specified by the budget agency.

As added by P.L.23-1986, SEC.8. Amended by P.L.178-2002, SEC.59; P.L.267-2003, SEC.5; P.L.182-2009(ss), SEC.213; P.L.77-2011, SEC.8.

IC 6-3.5-1.1-21.1

Distribution of excess balance; use

Sec. 21.1. (a) If the budget agency determines that the balance in a county trust account exceeds fifty percent (50%) of the certified distributions to be made to the county in the ensuing year, the budget agency shall make a supplemental distribution to the county from the county's adjusted gross income tax account.

(b) A supplemental distribution described in subsection (a) must be:

(1) made in January of the ensuing calendar year; and

(2) allocated and, subject to subsection (d), used in the same manner as certified distributions. However, the part of a supplemental distribution that is attributable to an additional rate authorized under this chapter:

(A) shall be used for the purpose specified in the statute authorizing the additional rate; and

(B) is not required to be deposited in the unit's rainy day fund.

The amount of the supplemental distribution is equal to the amount by which the balance in the county trust account exceeds fifty percent (50%) of the certified distributions to be made to the county in the ensuing year.

(c) A determination under this section must be made before November 2.

(d) This subsection applies to that part of a distribution made under this section that is allocated and available for use in the same manner as certified shares. The civil taxing unit receiving the money shall deposit the money in the civil taxing unit's rainy day fund established under IC 36-1-8-5.1.

(e) Any income earned on money held in a trust account established for a county under this chapter shall be deposited in that

trust account.
As added by P.L.178-2002, SEC.60. Amended by P.L.267-2003, SEC.6; P.L.182-2009(ss), SEC.214; P.L.77-2011, SEC.9; P.L.229-2011, SEC.89; P.L.261-2013, SEC.8.

IC 6-3.5-1.1-22
Obligations or leases entered into by civil taxing unit; public sale

Sec. 22. Notwithstanding any other law, if a civil taxing unit desires to issue obligations or enter into leases payable wholly or in part by the county adjusted gross income tax, the obligations of the civil taxing unit or any lessor may be sold at public sale in accordance with IC 5-1-11 or at negotiated sale.
As added by P.L.35-1990, SEC.15.

IC 6-3.5-1.1-23
Pledges

Sec. 23. (a) A pledge of county adjusted gross income tax revenues received under this chapter (other than tax revenue attributable to a tax rate under section 24, 25, or 26 of this chapter for property tax relief or public safety) is enforceable in accordance with IC 5-1-14.

(b) With respect to obligations for which a pledge has been made under this chapter, the general assembly covenants with the county and the purchasers or owners of those obligations that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter as long as the principal of or interest on those obligations is unpaid.
As added by P.L.135-2001, SEC.5. Amended by P.L.224-2007, SEC.65; P.L.153-2014, SEC.3.

IC 6-3.5-1.1-24
Rate for property tax levy freeze; rate for public transportation

Sec. 24. (a) In a county in which the county adjusted gross income tax is in effect, the county council may adopt an ordinance to impose or increase (as applicable) a tax rate under this section.

(b) In a county in which neither the county adjusted gross income tax nor the county option income tax is in effect, the county council may adopt an ordinance to impose a tax rate under this section.

(c) If a county council adopts an ordinance to impose or increase a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(d) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(e) Except as provided in subsection (t), the following apply only in the year in which a county council first imposes a tax rate under

this section:

(1) The county council shall, in the ordinance imposing the tax rate, specify the tax rate for each of the following two (2) years.

(2) The tax rate that must be imposed in the county in the first year is equal to the result of:

(A) the tax rate determined for the county under IC 6-3.5-1.5-1(b) in the year in which the tax rate is increased; multiplied by

(B) two (2).

(3) The tax rate that must be imposed in the county in the second year is the tax rate determined for the county under IC 6-3.5-1.5-1(c). The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(4) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year and to property taxes first due and payable in the calendar year after the ensuing calendar year.

(f) Except as provided in subsection (t), the following apply only in a year in which a county council increases a tax rate under this section:

(1) The county council shall, in the ordinance increasing the tax rate, specify the tax rate for the following year.

(2) The tax rate that must be imposed in the county is equal to the result of:

(A) the tax rate determined for the county under IC 6-3.5-1.5-1(b) in that year; plus

(B) the tax rate currently in effect in the county under this section.

The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(3) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year.

(g) Except as provided in subsection (t), the department of local government finance shall determine the following property tax replacement distribution amounts:

STEP ONE: Determine the sum of the amounts determined under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) for the county in the preceding year.

STEP TWO: For distribution to each civil taxing unit that in the year had a maximum permissible property tax levy limited under IC 6-1.1-18.5-3(b), determine the result of:

(1) the quotient of:

(A) the part of the amount determined under STEP ONE of IC 6-3.5-1.5-1(b) in the preceding year that was

attributable to the civil taxing unit; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP THREE: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county family and children's fund before 2009, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP TWO of IC 6-3.5-1.5-1(b) in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FOUR: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county children's psychiatric residential treatment services fund before 2009, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP THREE of IC 6-3.5-1.5-1(b) in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FIVE: For distribution to the county for community mental health center purposes, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP FOUR of IC 6-3.5-1.5-1(b) in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

Except as provided in subsection (m), the county treasurer shall distribute the portion of the certified distribution that is attributable to a tax rate under this section as specified in this section. The county treasurer shall make the distributions under this subsection at the same time that distributions are made to civil taxing units under section 15 of this chapter.

(h) Notwithstanding sections 3.1 and 4 of this chapter, a county council may not decrease or rescind a tax rate imposed under this section.

(i) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter; or

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3.

(j) The tax levy under this section shall not be considered for purposes of the credit under IC 6-1.1-20.6.

(k) Except as provided in subsections (s) and (t), a distribution under this section shall be treated as a part of the receiving civil taxing unit's property tax levy for that year for purposes of fixing the budget of the civil taxing unit and for determining the distribution of taxes that are distributed on the basis of property tax levies.

(l) If a county council imposes a tax rate under this section (other than a tax rate imposed under subsection (s)), the portion of county adjusted gross income tax revenue dedicated to property tax replacement credits under section 11 of this chapter may not be decreased.

(m) In the year following the year in a which a county first imposes a tax rate under this section, one-half (1/2) of the tax revenue that is attributable to the tax rate under this section (other than a tax rate imposed under subsection (s)) must be deposited in the county stabilization fund established under subsection (o).

(n) Except as provided in subsection (t) and IC 8-25, a pledge of county adjusted gross income taxes does not apply to revenue attributable to a tax rate under this section.

(o) Except as provided in subsection (t), a county stabilization fund is established in each county that imposes a tax rate under this section. The county stabilization fund shall be administered by the county auditor. If for a year the certified distributions attributable to a tax rate under this section exceed the amount calculated under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section, the excess shall be deposited in the county stabilization fund. Money shall be distributed from the county stabilization fund in a year by the county auditor to political subdivisions entitled to a distribution of tax revenue attributable to the tax rate under this section if:

(1) the certified distributions attributable to a tax rate under this section are less than the amount calculated under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section for a year; or

(2) the certified distributions attributable to a tax rate under this section in a year are less than the certified distributions attributable to a tax rate under this section in the preceding year.

However, subdivision (2) does not apply to the year following the first year in which certified distributions of revenue attributable to the tax rate under this section are distributed to the county.

(p) Notwithstanding any other provision, a tax rate imposed under this section may not exceed one percent (1%).

(q) A county council must each year hold at least one (1) public meeting at which the county council discusses whether the tax rate under this section should be imposed or increased.

(r) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(s) This subsection applies only to Hancock County and Johnson County. If the voters of the county approve a local public question under IC 8-25-2, the fiscal body of the county may adopt an ordinance to provide for the use of county adjusted gross income tax revenues attributable to an additional tax rate imposed under this subsection to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not more than twenty-five hundredths percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate imposed under this subsection must be:

(1) retained by the county auditor;

(2) deposited in the public transportation project fund established under IC 8-25-3-7; and

(3) used for the purpose provided in this subsection instead of as a property tax replacement distribution.

(t) The following do not apply to an additional tax rate imposed under subsection (s):

(1) Subsection (e).

(2) Subsection (f).

(3) Subsection (g).

(4) Subsection (k).

(5) Subsection (n).

(6) Subsection (o).

As added by P.L.224-2007, SEC.66. Amended by P.L.146-2008, SEC.331; P.L.77-2011, SEC.10; P.L.172-2011, SEC.73; P.L.6-2012, SEC.54; P.L.137-2012, SEC.71; P.L.261-2013, SEC.9; P.L.153-2014, SEC.4.

IC 6-3.5-1.1-25

Rate for public safety

Sec. 25. (a) As used in this section, "public safety" refers to the following:

(1) A police and law enforcement system to preserve public peace and order.

(2) A firefighting and fire prevention system.

(3) Emergency ambulance services (as defined in IC 16-18-2-107).

(4) Emergency medical services (as defined in IC 16-18-2-110).

(5) Emergency action (as defined in IC 13-11-2-65).

(6) A probation department of a court.

(7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other

correctional services for a person who has been:

(A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);

(B) convicted of a crime; or

(C) adjudicated as a delinquent child or a child in need of services.

(8) A juvenile detention facility under IC 31-31-8.

(9) A juvenile detention center under IC 31-31-9.

(10) A county jail.

(11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2 (before its repeal on July 1, 2012)), or the statewide 911 system (as defined in IC 36-8-16.7-22).

(12) Medical and health expenses for jail inmates and other confined persons.

(13) Pension payments for any of the following:

(A) A member of the fire department (as defined in IC 36-8-1-8) or any other employee of a fire department.

(B) A member of the police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by a police department.

(C) A county sheriff or any other member of the office of the county sheriff.

(D) Other personnel employed to provide a service described in this section.

(b) If a county council has imposed a tax rate of at least twenty-five hundredths of one percent (0.25%) under section 24 of this chapter, a tax rate of at least twenty-five hundredths of one percent (0.25%) under section 26 of this chapter, or a total combined tax rate of at least twenty-five hundredths of one percent (0.25%) under sections 24 and 26 of this chapter, the county council may also adopt an ordinance to impose an additional tax rate under this section to provide funding for public safety.

(c) A tax rate under this section may not exceed twenty-five hundredths of one percent (0.25%).

(d) If a county council adopts an ordinance to impose a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(f) Except as provided in subsection (k) or (l), the county auditor

shall distribute the portion of the certified distribution that is attributable to a tax rate under this section to the county and to each municipality in the county that is carrying out or providing at least one (1) of the public safety purposes described in subsection (a). The amount that shall be distributed to the county or municipality is equal to the result of:

(1) the portion of the certified distribution that is attributable to a tax rate under this section; multiplied by

(2) a fraction equal to:

(A) the attributed allocation amount (as defined in IC 6-3.5-1.1-15) of the county or municipality for the calendar year; divided by

(B) the sum of the attributed allocation amounts of the county and each municipality in the county that is entitled to a distribution under this section for the calendar year.

The county auditor shall make the distributions required by this subsection not more than thirty (30) days after receiving the portion of the certified distribution that is attributable to a tax rate under this section. Tax revenue distributed to a county or municipality under this subsection must be deposited into a separate account or fund and may be appropriated by the county or municipality only for public safety purposes.

(g) The department of local government finance may not require a county or municipality receiving tax revenue under this section to reduce the county's or municipality's property tax levy for a particular year on account of the county's or municipality's receipt of the tax revenue.

(h) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or

(3) the credit under IC 6-1.1-20.6.

(i) The tax rate under this section may be imposed or rescinded at the same time and in the same manner that the county may impose or increase a tax rate under section 24 of this chapter.

(j) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(k) Two (2) or more political subdivisions that are entitled to receive a distribution under this section may adopt resolutions providing that some part or all of those distributions shall instead be paid to one (1) political subdivision in the county to carry out specific public safety purposes specified in the resolutions.

(l) A fire department, volunteer fire department, or emergency medical services provider that:

(1) provides fire protection or emergency medical services

within the county; and

(2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;

may before July 1 of a year apply to the county council for a distribution of tax revenue under this section during the following calendar year. The county council shall review an application submitted under this subsection and may before September 1 of a year adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency medical services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is distributed under subsection (f). *As added by P.L.224-2007, SEC.67. Amended by P.L.146-2008, SEC.332; P.L.172-2011, SEC.74; P.L.132-2012, SEC.3; P.L.137-2012, SEC.72; P.L.13-2013, SEC.23; P.L.261-2013, SEC.10.*

IC 6-3.5-1.1-26

Rate for property tax relief

Sec. 26. (a) A county council may impose a tax rate under this section to provide property tax relief to taxpayers in the county. A county council is not required to impose any other tax before imposing a tax rate under this section.

(b) A tax rate under this section may be imposed in increments of five hundredths of one percent (0.05%) determined by the county council. A tax rate under this section may not exceed one percent (1%).

(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(d) If a county council adopts an ordinance to impose or increase a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded by a county council at the same time and in the same manner that the county council may impose or increase a tax rate under section 24 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county council:

(1) Except as provided in subsection (j), the tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A county council may not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best estimate of the amount of property tax replacement credits to be provided under this subdivision to homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly provide the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property tax levies. The homestead credits do not reduce the basis for determining any state homestead credit. The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The county auditor shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax replacement credits at a uniform rate for all qualified residential property (as defined in IC 6-1.1-20.6-4 before January 1, 2009, and as defined in section 1 of this chapter after December 31, 2008) in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year.

(4) This subdivision applies only to Lake County. The Lake County council may adopt an ordinance providing that the tax revenue from the tax rate under this section is used for any of the following:

(A) To reduce all property tax levies imposed by the county

by the granting of property tax replacement credits against those property tax levies.

(B) To provide local property tax replacement credits in Lake County in the following manner:

(i) The tax revenue under this section that is collected from taxpayers within a particular municipality in Lake County (as determined by the department based on the department's best estimate) shall be used only to provide a local property tax credit against property taxes imposed by that municipality.

(ii) The tax revenue under this section that is collected from taxpayers within the unincorporated area of Lake County (as determined by the department) shall be used only to provide a local property tax credit against property taxes imposed by the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(C) To provide property tax credits in the following manner:

(i) Sixty percent (60%) of the tax revenue under this section shall be used as provided in clause (B).

(ii) Forty percent (40%) of the tax revenue under this section shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

The county council may adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a

county under section 2 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or

(3) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the receiving civil taxing unit's or school corporation's property tax levy for that year for purposes of fixing the budget of the civil taxing unit or school corporation and for determining the distribution of taxes that are distributed on the basis of property tax levies. To the extent the county auditor determines that there is income tax revenue remaining from the tax under this section after providing the property tax replacement credits, the excess shall be credited to a dedicated county account and may be used only for property tax replacement credits under this section in subsequent years.

(i) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(j) A taxpayer that owns an industrial plant located in Jasper County is ineligible for a local property tax replacement credit under this section against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeds twenty percent (20%) of the total assessed value of all taxable property in the county on that date. The general assembly finds that the provisions of this subsection are necessary because the industrial plant represents such a large percentage of Jasper County's assessed valuation.

As added by P.L.224-2007, SEC.68. Amended by P.L.146-2008, SEC.333; P.L.172-2011, SEC.75; P.L.137-2012, SEC.73; P.L.261-2013, SEC.11.

IC 6-3.5-1.1-27

Jackson County; legalization and validation of additional rate

Sec. 27. (a) This section applies only to an additional tax rate imposed in Jackson County under section 2.5 of this chapter.

(b) This subsection applies to an additional tax rate imposed after June 30, 2011, and before July 1, 2013. Notwithstanding section 2.5 of this chapter (as in effect on January 1, 2013), the imposition, collection, and distribution of county adjusted gross income taxes attributable to the additional tax rate is legalized and validated.

(c) Any action described in subsection (b) of:

(1) the department;

(2) the budget agency; or

(3) an officer or employee of Jackson County;

is legalized and validated.

(d) The additional tax rate:

(1) authorized by the county council under section 2.5 of this chapter (as in effect on January 1, 2013); and

(2) legalized and validated by subsection (c);

remains in effect for the calendar years specified in section 2.5(c) of

this chapter without additional county council action. However, this subsection may not be construed to limit the ability of the county council to decrease the rate or rescind the tax in the manner provided under this chapter.
As added by P.L.293-2013(ts), SEC.17.

IC 6-3.5-1.1-28
Pulaski County; legalization and validation of additional rate

Sec. 28. (a) This section applies only to an additional tax rate imposed in Pulaski County under section 3.5 of this chapter.

(b) This subsection applies to an additional tax rate imposed after the eight (8) years authorized by section 3.5 of this chapter (as in effect on January 1, 2013) have elapsed and before July 1, 2013. Notwithstanding section 3.5 of this chapter (as in effect on January 1, 2013), the imposition, collection, and distribution of county adjusted gross income taxes attributable to the additional tax rate is legalized and validated.

(c) Any action described in subsection (b) of:
(1) the department;
(2) the budget agency; or
(3) an officer or employee of Pulaski County;
is legalized and validated.

(d) The additional tax rate:
(1) authorized by the county council under section 3.5 of this chapter (as in effect on January 1, 2013); and
(2) legalized and validated by subsection (c);
remains in effect for the calendar years specified in section 3.5(c) of this chapter without additional county council action. However, this subsection may not be construed to limit the ability of the county council to decrease the rate or rescind the tax in the manner provided under this chapter.
As added by P.L.293-2013(ts), SEC.18.

IC 6-3.5-1.1-29
Applicability of a tax rate in a township opting-in to a public transportation project

Sec. 29. Notwithstanding any other law, if an additional tax rate imposed under section 24(s) of this chapter is required by IC 8-25-6-10, the additional tax rate applies only to the county taxpayers who reside in a township in which the voters approve a local public question held under IC 8-25-6.
As added by P.L.153-2014, SEC.5.

IC 6-3.5-1.5

Chapter 1.5. Calculation of Levy Freeze Amounts

IC 6-3.5-1.5-1

Calculation of rate for county adjusted gross income tax or county option income tax

Sec. 1. (a) This section does not apply to a tax rate imposed under IC 6-3.5-1.1-24(s) or IC 6-3.5-6-30(t) for a public transportation project authorized under IC 8-25.

(b) The department of local government finance and the budget agency shall, before September 1 of each year, jointly calculate the county adjusted income tax rate or county option income tax rate (as applicable) that must be imposed in a county to raise income tax revenue in the following year equal to the sum of the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result of:

(1) the department of local government finance's estimate of the sum of the maximum permissible ad valorem property tax levies calculated under IC 6-1.1-18.5 for all civil taxing units in the county for the ensuing calendar year (before any adjustment under IC 6-1.1-18.5-3(g) or IC 6-1.1-18.5-3(h) for the ensuing calendar year); minus

(2) the sum of the maximum permissible ad valorem property tax levies calculated under IC 6-1.1-18.5 for all civil taxing units in the county for the current calendar year.

In the case of a civil taxing unit that is located in more than one (1) county, the department of local government finance shall, for purposes of making the determination under this subdivision, apportion the civil taxing unit's maximum permissible ad valorem property tax levy among the counties in which the civil taxing unit is located.

STEP TWO: This STEP applies only to property taxes first due and payable before January 1, 2009. Determine the greater of zero (0) or the result of:

(1) the department of local government finance's estimate of the family and children property tax levy that will be imposed by the county under IC 12-19-7-4 (before its repeal) for the ensuing calendar year (before any adjustment under IC 12-19-7-4(b) (before its repeal) for the ensuing calendar year); minus

(2) the county's family and children property tax levy imposed by the county under IC 12-19-7-4 (before its repeal) for the current calendar year.

STEP THREE: This STEP applies only to property taxes first due and payable before January 1, 2009. Determine the greater of zero (0) or the result of:

(1) the department of local government finance's estimate of the children's psychiatric residential treatment services property tax levy that will be imposed by the county under IC 12-19-7.5-6 (before its repeal) for the ensuing calendar

year (before any adjustment under IC 12-19-7.5-6(b) (before its repeal) for the ensuing calendar year); minus

(2) the children's psychiatric residential treatment services property tax imposed by the county under IC 12-19-7.5-6 (before its repeal) for the current calendar year.

STEP FOUR: Determine the greater of zero (0) or the result of:

(1) the department of local government finance's estimate of the county's maximum community mental health centers property tax levy under IC 12-29-2-2 for the ensuing calendar year (before any adjustment under IC 12-29-2-2(c) for the ensuing calendar year); minus

(2) the county's maximum community mental health centers property tax levy under IC 12-29-2-2 for the current calendar year.

(c) In the case of a county that wishes to impose a tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 (as applicable) for the first time, the department of local government finance and the budget agency shall jointly estimate the amount that will be calculated under subsection (a) in the second year after the tax rate is first imposed. The department of local government finance and the budget agency shall calculate the tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 (as applicable) that must be imposed in the county in the second year after the tax rate is first imposed to raise income tax revenue equal to the estimate under this subsection.

(d) The budget agency and the department of local government finance shall make the calculations under subsections (b) and (c) based on the best information available at the time the calculation is made.

(e) Notwithstanding IC 6-3.5-1.1-24(h) and IC 6-3.5-6-30(h), if a county has adopted an income tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 to replace property tax levy growth, the part of the tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 that was used before January 1, 2009, to reduce levy growth in the county family and children's fund property tax levy and the children's psychiatric residential treatment services property tax levy shall instead be used for property tax relief in the same manner that a tax rate under IC 6-3.5-1.1-26 or IC 6-3.5-6-32 is used for property tax relief.

As added by P.L.224-2007, SEC.69. Amended by P.L.1-2008, SEC.4; P.L.146-2008, SEC.334; P.L.182-2009(ss), SEC.215; P.L.137-2012, SEC.74; P.L.153-2014, SEC.6.

IC 6-3.5-1.5-2

Certification of amount

Sec. 2. The department of local government finance shall, before September 1 of each year, certify the amount calculated for a county under section 1 of this chapter to the county auditor.

As added by P.L.224-2007, SEC.69. Amended by P.L.137-2012, SEC.75.

IC 6-3.5-1.5-3

Authority to carry out chapter

Sec. 3. The department of local government finance and the budget agency may take any actions necessary to carry out the purposes of this chapter.

As added by P.L.224-2007, SEC.69. Amended by P.L.182-2009(ss), SEC.216.

IC 6-3.5-2

Chapter 2. Employment Tax

IC 6-3.5-2-1

Definitions

Sec. 1. As used in this chapter:

(1) "Agency" means a board, commission, division, bureau, committee, authority, military body, college, university, or other instrumentality.

(2) "Compensation" means gross income from services rendered as that term is defined by section 61(a) of the Internal Revenue Code.

(3) "Employee" means any individual permitted to work for remuneration by any employer, but excluding any individual performing:

(i) agricultural labor as that term is defined in IC 22-2-2-3(m);

(ii) domestic service solely on a daily basis in a private home;

(iii) newspaper carrier delivery or distribution service if the individual is under the age of eighteen (18) years; or

(iv) services in the employ of one's father, mother, son, daughter, or spouse.

(4) "Full time employee" means an employee who received compensation from employment of at least nine hundred dollars ($900) in any calendar quarter of a year from an employer who is subject to the tax imposed by this chapter; "full time employee" shall include a self-employed person who receives compensation from employment of at least nine hundred dollars ($900) in any calendar quarter of a year.

(5) "Employer" means any natural person, receiver, administrator, executor, trustee, trustee in bankruptcy, trust, estate, firm, partnership (general or limited), joint venture, company, limited liability company, or any form of unincorporated business, corporation (foreign or domestic, for profit or not-for-profit) who or which is doing business within the county.

(6) "Doing business within the county" means employing individuals to work in whole or in part, within the county and one (1) of the following:

(i) maintaining a fixed place of business in the county;

(ii) owning or leasing property within the county;

(iii) maintaining a stock of tangible personal property within the county;

(iv) employing or loaning capital or property within the county; or

(v) employing persons as employees or independent contractors, to solicit business within the county.

(7) "Person" includes a sole proprietorship, partnership, association, corporation, limited liability company, fiduciary, or individual.

(8) "Principally employed in the county" means an employee who devotes more than fifty percent (50%) of the time which he works for his employer to services which he performs in the taxing county.

(9) "Political subdivision" means a county, township, town, city, separate municipal corporation, special taxing district, or public school corporation.

(10) "County council" includes a city-county council of a consolidated city.

(Formerly: Acts 1975, P.L.62, SEC.1.) As amended by Acts 1981, P.L.11, SEC.32; P.L.2-1987, SEC.22; P.L.8-1993, SEC.91.

IC 6-3.5-2-2

Counties over 400,000 but less than 700,000; ordinance imposing tax; maximum rate

Sec. 2. Before July 1 of any year, the county council of Lake County may adopt an ordinance to impose an employment tax on each employer and employee described in section 3 of this chapter. The county council may impose the employment tax at a rate not to exceed fifty cents ($0.50) per employee per month. Any tax so imposed shall be paid by the employer for each full-time employee and by each such employee at the same rate. A self-employed person shall be subject to tax only as an employee. No other county may adopt an ordinance to impose an employment tax under this chapter.

(Formerly: Acts 1975, P.L.62, SEC.1.) As amended by Acts 1979, P.L.74, SEC.1; P.L.12-1992, SEC.28; P.L.119-2012, SEC.45.

IC 6-3.5-2-3

Employers and employees subject to tax

Sec. 3. If the county council adopts an ordinance to impose the employment tax, employers and employees are subject to the tax if:

(1) in the case of an employer, he employs at least one (1) full time employee who is principally employed in the county during any portion of a month after the date such ordinance is adopted; and

(2) in the case of an employee, he is principally employed in the county by an employer described in clause (1) of this section during any portion of a month after the date the ordinance is adopted.

(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-4

Persons exempt from tax

Sec. 4. The following persons are exempt from the employment tax:

(1) the United States;
(2) an agency of the United States;
(3) this state;
(4) an agency of this state;
(5) a political subdivision of this state; and
(6) a taxpayer described in IC 6-2.5-5-21(b)(1).

However, employees of such persons are not exempt from the employment tax.

(Formerly: Acts 1975, P.L.62, SEC.1.) As amended by Acts 1981, P.L.77, SEC.16; P.L.192-2002(ss), SEC.120.

IC 6-3.5-2-5
Rescission of tax

Sec. 5. Before July 1 of any year, the county council may adopt an ordinance to rescind the employment tax. If the county council adopts such an ordinance, the tax does not apply after December 31 of the year the ordinance is adopted.

However, if the adoption of the employment tax is conditioned upon any other county adopting the tax, the county council may rescind the tax before it becomes effective if the other county does not adopt the tax.

(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-6
Increasing or decreasing tax

Sec. 6. Before July 1 of any year, the county council may adopt an ordinance to increase or decrease the employment tax rate. The new tax rate shall become effective on January 1 of the year immediately following the year in which the ordinance is adopted.

(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-7
Copies of ordinances

Sec. 7. If a county council adopts an ordinance to impose, rescind, or change the rate of the employment tax, the county council shall send a copy of the ordinance to the county auditor and to the county treasurer.

(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-8
Quarterly payments

Sec. 8. An employer described in section 3 of this chapter shall pay employment tax for each calendar quarter equal to the sum of the following:

(1) for each month during which the employer employed at least one (1) full time employee who was principally employed in the county during that month, the tax for such month equals the total number of full time employees principally employed within the county during that month multiplied by the current tax rate; and

(2) for each employee described in clause (1) of this section the employer is required to withhold the tax imposed on the employee for that month under this chapter. The employer shall withhold the tax from the employee, as an agent for the county. Notwithstanding the amount of employment tax collected from its employees, each employer is liable to the county for the tax imposed on its employees under this chapter. Every employer and every officer, employee or member of the employer who is responsible for withholding the taxes from employees is personally liable for the taxes. The taxes to be withheld by the employer constitute a trust fund in the hands of the employer and are owned by the county.

(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-9
Filing returns; record keeping requirement

Sec. 9. Each employer described in section 3 of this chapter shall pay the total employment tax due for each calendar quarter to the county treasurer within thirty (30) days after the end of the quarter. Concurrently with the payment of the tax, the employer shall file an employment tax return with the county treasurer on a form prescribed by the state board of accounts. Each employer within the county shall maintain for a period of five (5) years adequate records to determine its tax liability for a calendar quarter. Upon request of the county treasurer, the Indiana department of revenue shall conduct an audit of an employer's employment tax records.
(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-10
County mass transportation fund; deposit of revenue

Sec. 10. The county treasurer shall deposit all employment tax revenues in a fund to be known as the "_____ county mass transportation fund". Money which is credited to a county's mass transportation fund may be used only to purchase, establish, operate, repair, or maintain a public mass transportation system. The county council may, in the manner provided by law, appropriate money from the fund to a public corporation which is authorized to purchase, establish, operate, repair, or maintain such a system if the system is located, either entirely or partially, within the county.
(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-11
Tokens for public passenger transportation

Sec. 11. The county council may establish a method of provide to each taxpayer at the time the employment tax is paid, tokens, coupons or indicia, equal to the tax paid, which are acceptable for passenger transportation on any transportation facility operated by or under contract with the county or public transportation authority.
(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-12
Estimated tax revenues

Sec. 12. On or before August 1st of each year, the auditor of a county which has adopted the employment tax shall provide the county council with an estimate of the employment tax revenues to be credited to the county mass transportation fund during the next calendar year. The county shall show the estimated employment tax revenues in its budget estimate for that calendar year.
(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-2-13
Interest penalties

Sec. 13. If an employer fails to pay all or any part of the employment tax due for a calendar quarter within the time prescribed

by section 9 of this chapter, he shall pay interest on the unpaid amount at the rate of twelve percent (12%) per year.
(Formerly: Acts 1975, P.L.62, SEC.1.)

IC 6-3.5-3
Repealed

(Repealed by P.L.28-1997, SEC.31.)

IC 6-3.5-4

Chapter 4. County Motor Vehicle Excise Surtax

IC 6-3.5-4-0.1

Application of certain amendments to chapter

Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The amendments made to section 7 of this chapter by P.L.33-1990 apply to vehicles registered after December 31, 1990.

(2) The addition of section 7.3 of this chapter by P.L.33-1990 applies to vehicles registered after December 31, 1990.

As added by P.L.220-2011, SEC.146.

IC 6-3.5-4-1

Definitions

Sec. 1. As used in this chapter:

"Adopting entity" means either the county council or the county income tax council established by IC 6-3.5-6-2 for the county, whichever adopts an ordinance to impose a surtax first.

"Branch office" means a branch office of the bureau of motor vehicles.

"County council" includes the city-county council of a county that contains a consolidated city of the first class.

"Motor vehicle" means a vehicle which is subject to the annual license excise tax imposed under IC 6-6-5.

"Net annual license excise tax" means the tax due under IC 6-6-5 after the application of the adjustments and credits provided by that chapter.

"Surtax" means the annual license excise surtax imposed by an adopting entity under this chapter.

As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.205-2013, SEC.85.

IC 6-3.5-4-1.1

County income tax council

Sec. 1.1. For purposes of acting as the adopting entity under this chapter, a county income tax council is comprised of the same members as the county income tax council that is established by IC 6-3.5-6-2 for the county (regardless of the income tax that may be in effect in the county). The county income tax council shall use the same procedures that apply under IC 6-3.5-6 when acting as an adopting entity under this chapter.

As added by P.L.205-2013, SEC.86.

IC 6-3.5-4-2 Version a

Imposition and rate of surtax; application of tax; wheel tax; duration

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 2. (a) An adopting entity of any county may, subject to the limitation imposed by subsection (c), adopt an ordinance to impose an annual license excise surtax at the same rate or amount on each motor vehicle listed in subsection (b) that is registered in the county. The adopting entity may impose the surtax either:

(1) at a rate of not less than two percent (2%) nor more than ten percent (10%); or

(2) at a specific amount of at least seven dollars and fifty cents ($7.50) and not more than twenty-five dollars ($25).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents ($7.50). The adopting entity shall state the surtax rate or amount in the ordinance which imposes the tax.

(b) The license excise surtax applies to the following vehicles:

(1) Passenger vehicles.

(2) Motorcycles.

(3) Trucks with a declared gross weight that does not exceed eleven thousand (11,000) pounds.

(c) The adopting entity may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to impose the wheel tax.

(d) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 2013, to impose or change the annual license excise surtax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.85-1983, SEC.1; P.L.255-1996, SEC.1; P.L.205-2013, SEC.87.

IC 6-3.5-4-2 Version b

Imposition and rate of surtax; application of tax; wheel tax; duration

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 2. (a) An adopting entity of any county may, subject to the limitation imposed by subsection (c), adopt an ordinance to impose an annual license excise surtax at the same rate or amount on each motor vehicle listed in subsection (b) that is registered in the county. The adopting entity may impose the surtax either:

(1) at a rate of not less than two percent (2%) nor more than ten percent (10%); or

(2) at a specific amount of at least seven dollars and fifty cents ($7.50) and not more than twenty-five dollars ($25).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents ($7.50). The adopting entity shall state the surtax rate or amount in the ordinance which imposes the tax.

(b) The license excise surtax applies to the following vehicles:

(1) Passenger vehicles.

(2) Motorcycles.

(3) Trucks with a declared gross weight that does not exceed eleven thousand (11,000) pounds.

(4) Motor driven cycles.

(c) The adopting entity may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to impose the wheel tax.

(d) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 2013, to impose or change the annual license excise surtax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.85-1983, SEC.1; P.L.255-1996, SEC.1; P.L.205-2013, SEC.87; P.L.221-2014, SEC.4.

IC 6-3.5-4-3

Motor vehicles subject to tax

Sec. 3. If an adopting entity adopts an ordinance imposing the surtax after December 31 but before July 1 of the following year, a motor vehicle is subject to the tax if it is registered in the county after December 31 of the year in which the ordinance is adopted. If an adopting entity adopts an ordinance imposing the surtax after June 30 but before the following January 1, a motor vehicle is subject to the tax if it is registered in the county after December 31 of the year following the year in which the ordinance is adopted. However, in the first year the surtax is effective, the surtax does not apply to the registration of a motor vehicle for the registration year that commenced in the calendar year preceding the year the surtax is first effective.

As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.85-1983, SEC.2; P.L.43-1994, SEC.1; P.L.205-2013, SEC.88.

IC 6-3.5-4-4

Rescission of surtax and wheel tax

Sec. 4. (a) After January 1 but before July 1 of any year, the adopting entity may, subject to the limitations imposed by subsection (b), adopt an ordinance to rescind the surtax. If the adopting entity adopts such an ordinance, the surtax does not apply to a motor vehicle registered after December 31 of the year the ordinance is adopted.

(b) The adopting entity may not adopt an ordinance to rescind the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to rescind the wheel tax. In addition, the adopting entity may not adopt an ordinance to rescind the surtax if:

(1) any portion of a loan obtained by the county under IC 8-14-8 is unpaid; or

(2) any bonds issued by the county under IC 8-14-9 are outstanding.

As added by Acts 1980, P.L.10, SEC.4. Amended by Acts 1981, P.L.88, SEC.1; P.L.205-2013, SEC.89.

IC 6-3.5-4-5

Increase or decrease of surtax; rate

Sec. 5. (a) The adopting entity may, subject to the limitations imposed by subsection (b), adopt an ordinance to increase or decrease the surtax rate or amount. The new surtax rate or amount must be within the range of rates or amounts prescribed by section 2 of this chapter. A new rate or amount that is established by an ordinance that is adopted after December 31 but before July 1 of the following year applies to motor vehicles registered after December 31 of the year in which the ordinance to change the rate or amount is adopted. A new rate or amount that is established by an ordinance that is adopted after June 30 but before January 1 of the following year applies to motor vehicles registered after December 31 of the year following the year in which the ordinance is adopted.

(b) The adopting entity may not adopt an ordinance to decrease the surtax rate or amount under this section if:

(1) any portion of a loan obtained by the county under IC 8-14-8 is unpaid; or

(2) any bonds issued by the county under IC 8-14-9 are outstanding.

As added by Acts 1980, P.L.10, SEC.4. Amended by Acts 1981, P.L.88, SEC.2; P.L.85-1983, SEC.3; P.L.255-1996, SEC.2; P.L.205-2013, SEC.90.

IC 6-3.5-4-6

Adopted ordinance; transmittal of copy to commissioner of bureau of motor vehicles

Sec. 6. If an adopting entity adopts an ordinance to impose, rescind, or change the rate or amount of the surtax, the adopting entity shall send a copy of the ordinance to the commissioner of the bureau of motor vehicles.

As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.255-1996, SEC.3; P.L.205-2013, SEC.91.

IC 6-3.5-4-7

Registration of motor vehicle; surtax; amount; collection

Sec. 7. A person may not register a motor vehicle in a county that has adopted the surtax unless the person pays the surtax due, if any, to the bureau of motor vehicles. The amount of the surtax due equals the greater of seven dollars and fifty cents ($7.50), the amount established under section 2 of this chapter, or the product of:

(1) the amount determined under section 7.3 of this chapter for the vehicle, as adjusted under section 7.4 of this chapter; multiplied by

(2) the surtax rate in effect at the time of registration.

The bureau of motor vehicles shall collect the surtax due, if any, at the time a motor vehicle is registered. However, the bureau may utilize its branch offices to collect the surtax.

As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.85-1983, SEC.4; P.L.33-1990, SEC.11; P.L.255-1996, SEC.4; P.L.11-1999, SEC.1.

IC 6-3.5-4-7.3

Surtax; amount; schedule

Sec. 7.3. (a) The amount of surtax imposed by rate under this chapter shall be based upon the classification and age of a vehicle as determined by the bureau of motor vehicles under IC 6-6-5, in accordance with the schedule set out in subsection (b).

(b) The schedule to be used in determining the amount to be used in section 7 of this chapter is as follows:

Year of Manufacture	I	II	III	IV	V
1st	$12	$36	$60	$96	$132
2nd	12	30	51	84	114
3rd	12	27	42	72	96
4th	12	24	33	60	78
5th	12	18	24	48	66
6th	12	12	18	36	54
7th	12	12	12	24	42
8th	12	12	12	18	24
9th	12	12	12	12	12
10th and thereafter	12	12	12	12	12

Year of Manufacture	VI	VII	VIII	IX	X
1st	$168	$206	$246	$300	$344
2nd	147	184	220	268	298
3rd	126	154	186	230	260
4th	104	127	156	196	224
5th	82	101	128	164	191
6th	63	74	98	130	157
7th	49	60	75	104	129
8th	30	40	54	80	106
9th	18	21	34	40	50
10th and thereafter	12	12	12	12	12

Year of Manufacture	XI	XII	XIII	XIV	XV
1st	$413	$500	$600	$700	$812
2nd	358	434	520	607	705
3rd	312	378	450	529	614
4th	269	326	367	456	513
5th	229	278	300	389	420
6th	188	228	242	319	338
7th	155	188	192	263	268
8th	127	129	129	181	181
9th	62	62	62	87	87
10th and thereafter	21	26	30	36	42

Year of Manufacture	XVI	XVII
1st	$938	$1,063

2nd	814	922
3rd	709	795
4th	611	693
5th	521	591
6th	428	483
7th	353	383
8th	258	258
9th	125	125
10th	49	55

and thereafter

As added by P.L.33-1990, SEC.12. Amended by P.L.255-1996, SEC.5.

IC 6-3.5-4-7.4

Surtax adjustment

Sec. 7.4. (a) If a vehicle has been acquired or brought into Indiana, or for any other reason becomes subject to registration after the regular annual registration date in the year on or before which the owner of the vehicle is required under the motor vehicle registration laws of Indiana to register vehicles, the amount of surtax computed under section 7.3 of this chapter shall be reduced in the same manner as the excise tax is reduced under IC 6-6-5-7.2.

(b) The owner of a vehicle who sells the vehicle in a year in which the owner has paid the surtax imposed by this chapter is entitled to receive a credit that is calculated in the same manner and subject to the same requirements as the credit for the excise tax under IC 6-6-5-7.2.

(c) If the name of the owner of a vehicle is legally changed and the change has caused a change in the owner's annual registration date, the surtax liability of the owner shall be adjusted in the same manner as excise taxes are adjusted under IC 6-6-5-7.2.

As added by P.L.11-1999, SEC.2. Amended by P.L.3-2008, SEC.61.

IC 6-3.5-4-8

Collections by branch office; disposition

Sec. 8. The surtax collected by a branch office shall be deposited daily by the branch manager in a separate account in a depository designated by the state board of finance.

As added by Acts 1980, P.L.10, SEC.4.

IC 6-3.5-4-9

Collections by branch office; remittance to county treasurer; report

Sec. 9. On or before the tenth day of the month following the month in which surtax is collected at a branch office, the branch office manager shall remit the surtax to the county treasurer of the county that imposed the surtax. Concurrently with the remittance, the branch office manager shall file a surtax collections report with the county treasurer and the county auditor. The branch manager shall prepare the report on forms prescribed by the state board of accounts.

As added by Acts 1980, P.L.10, SEC.4.

IC 6-3.5-4-10
Collections by branch office; report to bureau of motor vehicles

Sec. 10. Each branch office manager shall report surtax collections, if any, to the bureau of motor vehicles at the same time that registration fees are reported.
As added by Acts 1980, P.L.10, SEC.4.

IC 6-3.5-4-11
Collections by bureau of motor vehicles; remittance to county treasurer; report to county auditor

Sec. 11. If surtax is collected directly by the bureau of motor vehicles, instead of at a branch office, the commissioner of the bureau shall:

(1) remit the surtax to, and file a surtax collections report with, the appropriate county treasurer; and

(2) file a surtax collections report with the county auditor;

in the same manner and at the same time that a branch office manager is required to remit and report under section 9 of this chapter.
As added by Acts 1980, P.L.10, SEC.4.

IC 6-3.5-4-12
Appropriation of money derived from surtax

Sec. 12. In the case of a county that contains a consolidated city, the city-county council may appropriate money derived from the surtax to the department of transportation established by IC 36-3-5-4 for use by the department under law. The city-county council may not appropriate money derived from the surtax for any other purpose.
As added by Acts 1980, P.L.10, SEC.4. Amended by Acts 1982, P.L.33, SEC.7.

IC 6-3.5-4-13
Surtax fund; allocation; distribution; use

Sec. 13. (a) In the case of a county that does not contain a consolidated city of the first class, the county treasurer shall deposit the surtax revenues in a fund to be known as the "_____ County Surtax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county surtax fund during that month among the county and the cities and the towns in the county. The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county surtax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the surtax revenues it receives under this section to construct, reconstruct, repair, or

maintain streets and roads under its jurisdiction.
As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.85-1983, SEC.5.

IC 6-3.5-4-14
Estimate of revenues; distribution

Sec. 14. (a) On or before August 1 of each year, the auditor of a county that contains a consolidated city of the first class and that has adopted the surtax shall provide the county council with an estimate of the surtax revenues to be received by the county during the next calendar year. The county shall show the estimated surtax revenues in its budget estimate for the calendar year.

(b) On or before August 1 of each year, the auditor of a county that does not contain a consolidated city of the first class and that has adopted the surtax shall provide the county and each city and town in the county with an estimate of the surtax revenues to be distributed to that unit during the next calendar year. The county, city, or town shall show the estimated surtax revenues in its budget estimate for the calendar year.
As added by Acts 1980, P.L.10, SEC.4.

IC 6-3.5-4-15
Service charge for surtax

Sec. 15. Each license branch shall collect the service charge prescribed under IC 9-29 for the surtax collected with respect to each vehicle registered by that branch.
As added by Acts 1980, P.L.10, SEC.4. Amended by P.L.42-1986, SEC.3; P.L.2-1991, SEC.37.

IC 6-3.5-4-16
Violations; offense

Sec. 16. (a) The owner of a motor vehicle who knowingly registers the vehicle without paying surtax imposed under this chapter with respect to that registration commits a Class B misdemeanor.

(b) An employee of the bureau of motor vehicles, an employee of a branch office, or the manager of a branch office who recklessly issues a registration on any motor vehicle without collecting surtax imposed under this chapter with respect to that registration commits a Class B misdemeanor.
As added by Acts 1980, P.L.10, SEC.4.

IC 6-3.5-5

Chapter 5. County Wheel Tax

IC 6-3.5-5-1

Definitions

Sec. 1. As used in this chapter:

"Adopting entity" means either the county council or the county income tax council established by IC 6-3.5-6-2 for the county, whichever adopts an ordinance to impose a wheel tax first.

"Branch office" means a branch office of the bureau of motor vehicles.

"Bus" has the meaning set forth in IC 9-13-2-17(a).

"Commercial motor vehicle" has the meaning set forth in IC 6-6-5.5-1(c).

"County council" includes the city-county council of a county that contains a consolidated city of the first class.

"In-state miles" has the meaning set forth in IC 6-6-5.5-1(i).

"Political subdivision" has the meaning set forth in IC 34-6-2-110.

"Recreational vehicle" has the meaning set forth in IC 9-13-2-150.

"Semitrailer" has the meaning set forth in IC 9-13-2-164(a).

"State agency" has the meaning set forth in IC 34-6-2-141.

"Tractor" has the meaning set forth in IC 9-13-2-180.

"Trailer" has the meaning set forth in IC 9-13-2-184(a).

"Truck" has the meaning set forth in IC 9-13-2-188(a).

"Wheel tax" means the tax imposed under this chapter.

As added by Acts 1980, P.L.10, SEC.5. Amended by P.L.3-1989, SEC.40; P.L.2-1991, SEC.38; P.L.1-1998, SEC.79; P.L.1-2007, SEC.62; P.L.211-2007, SEC.30; P.L.205-2013, SEC.92.

IC 6-3.5-5-1.1

County income tax council

Sec. 1.1. For purposes of acting as the adopting entity under this chapter, a county income tax council is comprised of the same members as the county income tax council that is established by IC 6-3.5-6-2 for the county (regardless of the income tax that may be in effect in the county). The county income tax council shall use the same procedures that apply under IC 6-3.5-6 when acting as an adopting entity under this chapter.

As added by P.L.205-2013, SEC.93.

IC 6-3.5-5-2

Imposition of tax; annual license excise tax; rate

Sec. 2. (a) The adopting entity of any county may, subject to the limitation imposed by subsection (b), adopt an ordinance to impose an annual wheel tax on each vehicle that:

(1) is included in one (1) of the classes of vehicles listed in section 3 of this chapter;

(2) is not exempt from the wheel tax under section 4 of this chapter; and

(3) is registered in the county.

(b) The adopting entity of a county may not adopt an ordinance to impose the wheel tax unless it concurrently adopts an ordinance under IC 6-3.5-4 to impose the annual license excise surtax.

(c) The adopting entity may impose the wheel tax at a different rate for each of the classes of vehicles listed in section 3 of this chapter. In addition, the adopting entity may establish different rates within the classes of buses, semitrailers, trailers, tractors, and trucks based on weight classifications of those vehicles that are established by the bureau of motor vehicles for use throughout Indiana. However, the wheel tax rate for a particular class or weight classification of vehicles may not be less than five dollars ($5) and may not exceed forty dollars ($40). The adopting entity shall state the initial wheel tax rates in the ordinance that imposes the tax.

As added by Acts 1980, P.L.10, SEC.5. Amended by P.L.85-1983, SEC.6; P.L.205-2013, SEC.94.

IC 6-3.5-5-3

Vehicles subject to tax

Sec. 3. The wheel tax applies to the following classes of vehicles:

(1) buses;
(2) recreational vehicles;
(3) semitrailers;
(4) tractors;
(5) trailers; and
(6) trucks.

As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-5-4

Exempt vehicles

Sec. 4. A vehicle is exempt from the wheel tax imposed under this chapter if the vehicle is:

(1) owned by this state;
(2) owned by a state agency of this state;
(3) owned by a political subdivision of this state;
(4) subject to the annual license excise surtax imposed under IC 6-3.5-4; or
(5) a bus owned and operated by a religious or nonprofit youth organization and used to haul persons to religious services or for the benefit of their members.

As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-5-5

Registration of vehicles

Sec. 5. If an adopting entity adopts an ordinance imposing the wheel tax after December 31 but before July 1 of the following year, a vehicle described in section 2(a) of this chapter is subject to the tax if it is registered in the county after December 31 of the year in which the ordinance is adopted. If an adopting entity adopts an ordinance imposing the wheel tax after June 30 but before the following January 1, a vehicle described in section 2(a) of this chapter is subject

to the tax if it is registered in the county after December 31 of the year following the year in which the ordinance is adopted. However, in the first year the tax is effective, the tax does not apply to the registration of a motor vehicle for the registration year that commenced in the calendar year preceding the year the tax is first effective.

As added by Acts 1980, P.L.10, SEC.5. Amended by P.L.85-1983, SEC.7; P.L.43-1994, SEC.2; P.L.205-2013, SEC.95.

IC 6-3.5-5-6

Rescission of wheel tax and annual license excise surtax

Sec. 6. (a) After January 1 but before July 1 of any year, the adopting entity may, subject to the limitations imposed by subsection (b), adopt an ordinance to rescind the wheel tax. If the adopting entity adopts such an ordinance, the wheel tax does not apply to a vehicle registered after December 31 of the year the ordinance is adopted.

(b) The adopting entity may not adopt an ordinance to rescind the wheel tax unless it concurrently adopts an ordinance under IC 6-3.5-4 to rescind the annual license excise surtax. In addition, the adopting entity may not adopt an ordinance to rescind the wheel tax if:

(1) any portion of a loan obtained by the county under IC 8-14-8 is unpaid; or

(2) any bonds issued by the county under IC 8-14-9 are outstanding.

As added by Acts 1980, P.L.10, SEC.5. Amended by Acts 1981, P.L.88, SEC.3; P.L.205-2013, SEC.96.

IC 6-3.5-5-7

Increase or decrease of tax; rates

Sec. 7. (a) The adopting entity may, subject to the limitations imposed by subsection (b), adopt an ordinance to increase or decrease the wheel tax rates. The new wheel tax rates must be within the range of rates prescribed by section 2 of this chapter. New rates that are established by an ordinance that is adopted after December 31 but before July 1 of the following year apply to vehicles registered after December 31 of the year in which the ordinance to change the rates is adopted. New rates that are established by an ordinance that is adopted after June 30 but before July 1 of the following year apply to motor vehicles registered after December 31 of the year following the year in which the ordinance is adopted.

(b) The adopting entity may not adopt an ordinance to decrease the wheel tax rate under this section if:

(1) any portion of a loan obtained by the county under IC 8-14-8 is unpaid; or

(2) any bonds issued by the county under IC 8-14-9 are outstanding.

As added by Acts 1980, P.L.10, SEC.5. Amended by Acts 1981, P.L.88, SEC.4; P.L.85-1983, SEC.8; P.L.205-2013, SEC.97.

IC 6-3.5-5-8

Adopted ordinance; transmittal of copy to commissioner of bureau of motor vehicles

Sec. 8. If an adopting entity adopts an ordinance to impose, rescind, or change the rates of the wheel tax, the adopting entity shall send a copy of the ordinance to the commissioner of the bureau of motor vehicles.

As added by Acts 1980, P.L.10, SEC.5. Amended by P.L.205-2013, SEC.98.

IC 6-3.5-5-8.5

Credit upon sale of vehicle

Sec. 8.5. (a) Every owner of a vehicle for which the wheel tax has been paid for the owner's registration year is entitled to a credit if during that registration year the owner sells the vehicle. The amount of the credit equals the wheel tax paid by the owner for the vehicle that was sold. The credit may only be applied by the owner against the wheel tax owed for a vehicle that is purchased during the same registration year.

(b) An owner of a vehicle is not entitled to a refund of any part of a credit that is not used under this section.

As added by P.L.86-1983, SEC.1.

IC 6-3.5-5-9

Registration of motor vehicle; wheel tax; amount; collection

Sec. 9. A person may not register a vehicle in a county which has adopted the wheel tax unless he pays the wheel tax due, if any, to the bureau of motor vehicles. The amount of the wheel tax due is based on the wheel tax rate, for that class of vehicle, in effect at the time of registration. The bureau of motor vehicles shall collect the wheel tax due, if any, at the time a motor vehicle is registered. However, the bureau may utilize its branch offices to collect the wheel tax.

As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-5-9.5

Apportioned wheel tax for certain vehicles

Sec. 9.5. (a) This section applies to a wheel tax adopted after June 30, 2007.

(b) An owner of one (1) or more commercial vehicles paying an apportioned registration to the state under the International Registration Plan that is required to pay a wheel tax shall pay an apportioned wheel tax calculated by dividing in-state actual miles by total fleet miles generated during the preceding year. If in-state miles are estimated for purposes of proportional registration, these miles are divided by total actual and estimated fleet miles. The apportioned wheel tax under this section shall be paid at the same time and in the same manner as the commercial motor vehicle excise tax under IC 6-6-5.5.

(c) A voucher from the department of state revenue showing payment of the wheel tax may be accepted by the bureau of motor vehicles in lieu of the payment required under section 9 of this

chapter.
As added by P.L.211-2007, SEC.31.

IC 6-3.5-5-10
Collections by branch office; disposition

Sec. 10. The wheel tax collected by a branch office shall be deposited daily by the branch manager in a separate account in a depository designated by the state board of finance.
As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-5-11
Collections by branch office; remittance to county treasurer; report

Sec. 11. On or before the tenth day of the month following the month in which wheel tax is collected at a branch office, the branch office manager shall remit the wheel tax to the county treasurer of the county that imposed the wheel tax. Concurrently with the remittance, the branch office manager shall file a wheel tax collections report with the county treasurer and the county auditor. The branch manager shall prepare the report on forms prescribed by the state board of accounts.
As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-5-12
Collections by branch office; report to bureau of motor vehicles

Sec. 12. Each branch office manager shall report wheel tax collections, if any, to the bureau of motor vehicles at the same time that registration fees are reported.
As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-5-13
Collection by bureau of motor vehicles or department of state revenue; remittance to county treasurer; report to county auditor

Sec. 13. (a) If the wheel tax is collected directly by the bureau of motor vehicles, instead of at a branch office, the commissioner of the bureau shall:

(1) remit the wheel tax to, and file a wheel tax collections report with, the appropriate county treasurer; and

(2) file a wheel tax collections report with the county auditor;

in the same manner and at the same time that a branch office manager is required to remit and report under section 11 of this chapter.

(b) If the wheel tax for a commercial vehicle is collected directly by the department of state revenue, the commissioner of the department of state revenue shall:

(1) remit the wheel tax to, and file a wheel tax collections report with, the appropriate county treasurer; and

(2) file a wheel tax collections report with the county auditor;

in the same manner and at the same time that a branch office manager is required to remit and report under section 11 of this chapter.
As added by Acts 1980, P.L.10, SEC.5. Amended by P.L.211-2007,

SEC.32.

IC 6-3.5-5-14
Appropriation of money derived from wheel tax

Sec. 14. (a) In the case of a county that contains a consolidated city, the city-county council may appropriate money derived from the wheel tax to:

(1) the department of transportation established by IC 36-3-5-4 for use by the department under law; or

(2) an authority established under IC 36-7-23.

(b) The city-county council may not appropriate money derived from the wheel tax for any other purpose.

As added by Acts 1980, P.L.10, SEC.5. Amended by Acts 1982, P.L.33, SEC.8; P.L.346-1989(ss), SEC.1.

IC 6-3.5-5-15
Wheel tax fund; allocation; distribution; use

Sec. 15. (a) In the case of a county that does not contain a consolidated city, the county treasurer shall deposit the wheel tax revenues in a fund to be known as the "County Wheel Tax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county wheel tax fund during that month among the county and the cities and the towns in the county. The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county wheel tax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the wheel tax revenues it receives under this section:

(1) to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction; or

(2) as a contribution to an authority established under IC 36-7-23.

As added by Acts 1980, P.L.10, SEC.5. Amended by P.L.85-1983, SEC.9; P.L.346-1989(ss), SEC.2.

IC 6-3.5-5-16
Estimate of revenues; distribution

Sec. 16. (a) On or before August 1 of each year, the auditor of a county that contains a consolidated city of the first class and that has adopted the wheel tax shall provide the county council with an estimate of the wheel tax revenues to be received by the county during the next calendar year. The county shall show the estimated wheel tax revenues in its budget estimate for the calendar year.

(b) On or before August 1 of each year, the auditor of a county that does not contain a consolidated city of the first class and that has adopted the wheel tax shall provide the county and each city and

town in the county with an estimate of the wheel tax revenues to be distributed to that unit during the next calendar year. The county, city, or town shall show the estimated wheel tax revenues in its budget estimate for the calendar year.
As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-5-17
Service charge

Sec. 17. Each license branch shall collect the service charge prescribed under IC 9-29 for the wheel tax collected with respect to each vehicle registered by that branch.
As added by Acts 1980, P.L.10, SEC.5. Amended by P.L.42-1986, SEC.4; P.L.2-1991, SEC.39.

IC 6-3.5-5-18
Violations; offense

Sec. 18. (a) The owner of a vehicle who knowingly registers the vehicle without paying wheel tax imposed under this chapter with respect to that registration commits a Class B misdemeanor.

(b) An employee of the bureau of motor vehicles, an employee of a branch office, or the manager of a branch office who recklessly issues a registration on any vehicle without collecting wheel tax imposed under this chapter with respect to that registration commits a Class B misdemeanor.
As added by Acts 1980, P.L.10, SEC.5.

IC 6-3.5-6

Chapter 6. County Option Income Tax

IC 6-3.5-6-0.7

Legalization of certain ordinances by Howard County fiscal body

Sec. 0.7. An ordinance adopted by the fiscal body for Howard County that:

(1) was adopted before April 29, 2007; and

(2) would have been in compliance with section 28 of this chapter, as amended by P.L.224-2007, if P.L.224-2007 had been enacted before the ordinance was adopted;

is legalized and validated to the same extent as if P.L.224-2007 had been enacted before the ordinance was adopted.

As added by P.L.220-2011, SEC.147.

IC 6-3.5-6-1

Definitions

Sec. 1. As used in this chapter:

"Adjusted gross income" has the same definition that the term is given in IC 6-3-1-3.5. However, in the case of a county taxpayer who is not treated as a resident county taxpayer of a county, the term includes only adjusted gross income derived from the taxpayer's principal place of business or employment.

"Apartment complex" means real property consisting of at least five (5) units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days.

"Civil taxing unit" means any entity, except a school corporation, that has the power to impose ad valorem property taxes. The term does not include a solid waste management district that is not entitled to a distribution under section 1.3 of this chapter. However, in the case of a county in which a consolidated city is located, the consolidated city, the county, all special taxing districts, special service districts, included towns (as defined in IC 36-3-1-7), and all other political subdivisions except townships, excluded cities (as defined in IC 36-3-1-7), and school corporations shall be deemed to comprise one (1) civil taxing unit whose fiscal body is the fiscal body of the consolidated city.

"County income tax council" means a council established by section 2 of this chapter.

"County taxpayer", as it relates to a particular county, means any individual:

(1) who resides in that county on the date specified in section 20 of this chapter; or

(2) who maintains the taxpayer's principal place of business or employment in that county on the date specified in section 20 of this chapter and who does not reside on that same date in another county in which the county option income tax, the county adjusted income tax, or the county economic development income tax is in effect.

"Department" refers to the Indiana department of state revenue.

"Fiscal body" has the same definition that the term is given in IC 36-1-2-6.

"Homestead" has the meaning set forth in IC 6-1.1-12-37.

"Qualified residential property" refers to any of the following:

(1) An apartment complex.

(2) A homestead.

(3) Residential rental property.

"Resident county taxpayer", as it relates to a particular county, means any county taxpayer who resides in that county on the date specified in section 20 of this chapter.

"Residential rental property" means real property consisting of not more than four (4) units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days.

"School corporation" has the same definition that the term is given in IC 6-1.1-1-16.

As added by P.L.44-1984, SEC.14. Amended by P.L.23-1986, SEC.9; P.L.22-1988, SEC.4; P.L.96-1995, SEC.3; P.L.146-2008, SEC.335.

IC 6-3.5-6-1.1

Determination of allocation amount

Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units in the county, the allocation amount for a civil taxing unit is the amount determined using the following formula:

STEP ONE: Determine the total property taxes that are first due and payable to the civil taxing unit during the calendar year of the distribution plus, for a county, an amount equal to the welfare allocation amount.

STEP TWO: Determine the sum of the following:

(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).

(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).

(C) The proceeds of any property that are:

(i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B); and

(ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the civil taxing unit or school corporation's certified distribution for the previous calendar year.

The allocation amount is subject to adjustment as provided in IC 36-8-19-7.5. The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under IC 6-3.5-1.1 or this chapter in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, and children with special health care needs county fund.

(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation is not deducted from the allocation amount for a civil taxing unit if:

(1) the debt obligation was issued; and

(2) the proceeds appropriated from property taxes;

to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit if:

(1) the lease was issued; and

(2) the proceeds were appropriated from property taxes;

to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if it had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

As added by P.L.207-2005, SEC.6. Amended by P.L.146-2008, SEC.336; P.L.182-2009(ss), SEC.217.

IC 6-3.5-6-1.3

Districts not entitled to distribution

Sec. 1.3. (a) This section applies to a county solid waste management district (as defined in IC 13-11-2-47) or a joint solid waste management district (as defined in IC 13-11-2-113).

(b) A district may not receive a distribution under this chapter

unless a majority of the members of each of the county fiscal bodies of the counties within the district passes a resolution approving the distribution.

(c) A resolution passed by a county fiscal body under subsection (b) may:

(1) expire on a date specified in the resolution; or

(2) remain in effect until the county fiscal body revokes or rescinds the resolution.

As added by P.L.96-1995, SEC.4. Amended by P.L.1-1996, SEC.48; P.L.70-2001, SEC.2.

IC 6-3.5-6-1.5

Time within which to adopt ordinance; effective date of ordinances

Sec. 1.5. (a) Notwithstanding any other provision of this chapter, a power granted by this chapter to adopt an ordinance to:

(1) impose, increase, decrease, or rescind a tax or tax rate; or

(2) grant, increase, decrease, rescind, or change a homestead credit or property tax replacement credit authorized under this chapter;

may be exercised at any time in a year before November 1 of that year.

(b) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that imposes, increases, decreases, or rescinds a tax or a tax rate takes effect as follows:

(1) An ordinance adopted after December 31 of the immediately preceding year and before September 1 of the current year takes effect on October 1 of the current year.

(2) An ordinance adopted after August 31 and before November 1 of the current year takes effect on January 1 of the following year.

(c) An ordinance authorized by this chapter that grants, increases, decreases, rescinds, or changes a homestead credit or property tax replacement credit authorized under this chapter takes effect for and initially applies to property taxes first due and payable in the year immediately following the year in which the ordinance is adopted.

(d) If the commissioner of the department determines that an ordinance described in subsection (b) was not adopted according to the requirements of this article or is otherwise not in compliance with this article:

(1) the commissioner shall:

(A) notify the county auditor that the ordinance was not adopted according to the requirements of this article or is not in compliance with this article; and

(B) specify the corrective action that must be taken for the ordinance to be adopted according to the requirements of this article and to be in compliance with this article; and

(2) the ordinance may not take effect until the corrective action is taken.

As added by P.L.113-2010, SEC.63. Amended by P.L.137-2012, SEC.76; P.L.13-2013, SEC.24; P.L.261-2013, SEC.12.

IC 6-3.5-6-2
County income tax council; established; powers

Sec. 2. (a) A county income tax council is established for each county in Indiana. The membership of each county's county income tax council consists of the fiscal body of the county and the fiscal body of each city or town that lies either partially or entirely within that county.

(b) Using procedures described in this chapter, a county income tax council may adopt ordinances to:

(1) impose the county option income tax in its county;
(2) subject to section 12 of this chapter, rescind the county option income tax in its county;
(3) increase the county option income tax rate for the county;
(4) freeze the county option income tax rate for its county;
(5) increase the homestead credit in its county; or
(6) subject to section 12.5 of this chapter, decrease the county option income tax rate for the county.

As added by P.L.44-1984, SEC.14. Amended by P.L.2-1989, SEC.14; P.L.42-1994, SEC.4; P.L.267-2003, SEC.7; P.L.77-2011, SEC.11.

IC 6-3.5-6-3
County income tax council; allocation of votes

Sec. 3. (a) In the case of a city or town that lies within more than one (1) county, the county auditor of each county shall base the allocations required by subsection (b) on the population of that part of the city or town that lies within the county for which the allocations are being made.

(b) Every county income tax council has a total of one hundred (100) votes. Every member of the county income tax council is allocated a percentage of the total one hundred (100) votes that may be cast. The percentage that a city or town is allocated for a year equals the same percentage that the population of the city or town bears to the population of the county. The percentage that the county is allocated for a year equals the same percentage that the population of all areas in the county not located in a city or town bears to the population of the county. On or before January 1 of each year, the county auditor shall certify to each member of the county income tax council the number of votes, rounded to the nearest one hundredth (0.01), it has for that year.

As added by P.L.44-1984, SEC.14.

IC 6-3.5-6-4
Resolutions; transmittal to county auditor

Sec. 4. (a) A member of the county income tax council may exercise its votes by passing a resolution and transmitting the resolution to the auditor of the county. However, in the case of an ordinance to impose, rescind, increase, decrease, or freeze the county rate of the county option income tax, the member must transmit the resolution to the county auditor by the appropriate time described in section 8, 9, 10, or 11 of this chapter. The form of a resolution is as

follows:

"The _____ (name of civil taxing unit's fiscal body) casts its _____ votes _____ (for or against) the proposed ordinance of the _____ County Income Tax Council, which reads as follows:".

(b) A resolution passed by a member of the county income tax council exercises all votes of the member on the proposed ordinance, and those votes may not be changed during the year.

As added by P.L.44-1984, SEC.14. Amended by P.L.42-1994, SEC.5.

IC 6-3.5-6-5

Ordinances; procedure for proposal; voting

Sec. 5. Any member of a county income tax council may present an ordinance for passage. To do so, the member must pass a resolution to propose the ordinance to the county income tax council and distribute a copy of the proposed ordinance to the auditor of the county. The auditor of the county shall treat any proposed ordinance presented to the auditor under this section as a casting of all that member's votes in favor of that proposed ordinance. Subject to the limitations of section 6 of this chapter, the auditor of the county shall deliver copies of a proposed ordinance the auditor receives to all members of the county income tax council within ten (10) days after receipt. Once a member receives a proposed ordinance from the auditor of the county, the member shall vote on it within thirty (30) days after receipt.

As added by P.L.44-1984, SEC.14. Amended by P.L.28-1997, SEC.17.

IC 6-3.5-6-6

Ordinances; limitation of number; effect of passage on proposed ordinances; proposed ordinances with same effect

Sec. 6. (a) A county income tax council may pass only one (1) ordinance described in section 2(b)(1), 2(b)(2), 2(b)(3), 2(b)(4), or 2(b)(6) of this chapter in one (1) year. Once an ordinance described in section 2(b)(1), 2(b)(2), 2(b)(3), 2(b)(4), or 2(b)(6) of this chapter has been passed, the auditor of the county shall:

(1) cease distributing proposed ordinances of those types for the rest of the year; and

(2) withdraw from the membership any other of those types of proposed ordinances.

Any votes subsequently received by the auditor of the county on proposed ordinances of those types during that same year are void.

(b) The county income tax council may not vote on, nor may the auditor of the county distribute to the members of the county income tax council, any proposed ordinance during a year, if previously during that same year the auditor of the county received and distributed to the members of the county income tax council a proposed ordinance whose passage would have substantially the same effect.

As added by P.L.44-1984, SEC.14. Amended by P.L.42-1994, SEC.6.

IC 6-3.5-6-7
Ordinances; hearing; notice

Sec. 7. (a) Before a member of the county income tax council may propose an ordinance or vote on a proposed ordinance, the member must hold a public hearing on the proposed ordinance and provide the public with notice of the time and place where the public hearing will be held.

(b) The notice required by subsection (a) must be given in accordance with IC 5-3-1.

(c) The form of the notice required by this section must be in substantially the following form:

"NOTICE OF COUNTY OPTION
INCOME TAX ORDINANCE VOTE.

The fiscal body of the _____ (insert name of civil taxing unit) hereby declares that on _____ (insert date) at _____ (insert the time of day) a public hearing will be held at _____ (insert location) concerning the following resolution to propose an ordinance (or proposed ordinance) that is before the members of the county income tax council. Members of the public are cordially invited to attend the hearing for the purpose of expressing their views.

(Insert a copy of the proposed ordinance or resolution to propose an ordinance.)".

As added by P.L.44-1984, SEC.14.

IC 6-3.5-6-8
Imposition of tax; rate of tax; necessity and form of ordinance; recording of votes

Sec. 8. (a) The county income tax council of any county in which the county adjusted gross income tax will not be in effect on December 1 of a year under an ordinance adopted during a previous calendar year may impose the county option income tax on the adjusted gross income of county taxpayers of its county.

(b) Except as provided in sections 30, 31, and 32 of this chapter, the county option income tax may initially be imposed at a rate of two-tenths of one percent (0.2%) on the resident county taxpayers of the county and at a rate of five-hundredths of one percent (0.05%) for all other county taxpayers.

(c) To impose the county option income tax, a county income tax council must pass an ordinance. The ordinance must substantially state the following:

> "The _____ County Income Tax Council imposes the county option income tax on the county taxpayers of _____ County. The county option income tax is imposed at a rate of two-tenths of one percent (0.2%) on the resident county taxpayers of the county and at a rate of five-hundredths of one percent (0.05%) on all other county taxpayers.".

(d) Except as provided in sections 30, 31, and 32 of this chapter, if the county option income tax is imposed on the county taxpayers

of a county, then the county option income tax rate that is in effect for resident county taxpayers of that county increases by one-tenth of one percent (0.1%) on each succeeding October 1 until the rate equals six-tenths of one percent (0.6%).

(e) The county option income tax rate in effect for the county taxpayers of a county who are not resident county taxpayers of that county is at all times one-fourth (1/4) of the tax rate imposed upon resident county taxpayers.

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

As added by P.L.44-1984, SEC.14. Amended by P.L.35-1990, SEC.16; P.L.224-2007, SEC.70; P.L.77-2011, SEC.12; P.L.137-2012, SEC.77; P.L.261-2013, SEC.13.

IC 6-3.5-6-9
Increase of tax rate

Sec. 9. (a) If on January 1 of a calendar year the county option income tax rate in effect for resident county taxpayers equals six tenths of one percent (0.6%), excluding a tax rate imposed under section 30, 31, or 32 of this chapter, the county income tax council of that county may pass an ordinance to increase its tax rate for resident county taxpayers. If a county income tax council passes an ordinance under this section, its county option income tax rate for resident county taxpayers increases by one-tenth of one percent (0.1%) in the year in which the ordinance is adopted, as provided in section 1.5 of this chapter, and on each succeeding October 1 until its rate reaches a maximum of one percent (1%), excluding a tax rate imposed under section 30, 31, or 32 of this chapter.

(b) The auditor of the county shall record any vote taken on an ordinance proposed under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

As added by P.L.44-1984, SEC.14. Amended by P.L.35-1990, SEC.17; P.L.224-2007, SEC.71; P.L.77-2011, SEC.13; P.L.137-2012, SEC.78; P.L.261-2013, SEC.14.

IC 6-3.5-6-9.5
Repealed

(Repealed by P.L.2-1989, SEC.56.)

IC 6-3.5-6-10
Effect of adoption of county option income tax and county adjusted

gross income tax in same county

Sec. 10. If during a particular calendar year the county council of a county adopts an ordinance to impose the county adjusted gross income tax on the same day that the county option income tax council of the county adopts an ordinance to impose the county option income tax, the county option income tax takes effect in that county and the county adjusted gross income tax shall not take effect in that county.

As added by P.L.44-1984, SEC.14. Amended by P.L.224-2007, SEC.72; P.L.77-2011, SEC.14.

IC 6-3.5-6-11

Freeze of tax rate; adoption, duration, and rescission of ordinance

Sec. 11. (a) This section does not apply to a tax rate imposed under section 30 of this chapter.

(b) The county income tax council of any county may adopt an ordinance to permanently freeze the county option income tax rates at the rate in effect for its county on December 1 of a year.

(c) To freeze the county option income tax rates, a county income tax council must adopt an ordinance. The ordinance must substantially state the following:

> "The _____ County Income Tax Council permanently freezes the county option income tax rates at the rate in effect on December 1 of the current year.".

(d) An ordinance adopted under the authority of this section remains in effect until rescinded.

(e) If a county income tax council rescinds an ordinance as adopted under this section, the county option income tax rate shall automatically increase by one-tenth of one percent (0.1%) until:

> (1) the tax rate is again frozen under another ordinance adopted under this section; or
>
> (2) the tax rate equals six-tenths of one percent (0.6%) (if the frozen tax rate equaled an amount less than six-tenths of one percent (0.6%)) or one percent (1%) (if the frozen tax rate equaled an amount in excess of six-tenths of one percent (0.6%)).

(f) The county auditor shall record any vote taken on an ordinance proposed under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

As added by P.L.44-1984, SEC.14. Amended by P.L.35-1990, SEC.18; P.L.224-2007, SEC.73; P.L.77-2011, SEC.15; P.L.137-2012, SEC.79; P.L.261-2013, SEC.15.

IC 6-3.5-6-12

Duration of tax; rescission of tax; record of votes

Sec. 12. (a) The county option income tax imposed by a county

income tax council under this chapter remains in effect until rescinded.

(b) Subject to subsection (c), the county income tax council of a county may rescind the county option income tax by passing an ordinance.

(c) A county income tax council may not rescind the county option income tax or take any action that would result in a civil taxing unit in the county having a smaller distributive share than the distributive share to which it was entitled when it pledged county option income tax, if the civil taxing unit or any commission, board, department, or authority that is authorized by statute to pledge county option income tax, has pledged county option income tax for any purpose permitted by IC 5-1-14 or any other statute.

(d) The auditor of a county shall record all votes taken on a proposed ordinance presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

As added by P.L.44-1984, SEC.14. Amended by P.L.2-1989, SEC.15; P.L.35-1990, SEC.19; P.L.28-1997, SEC.18; P.L.224-2007, SEC.74; P.L.77-2011, SEC.16; P.L.137-2012, SEC.80; P.L.261-2013, SEC.16.

IC 6-3.5-6-12.5

Decrease in county option income tax rate; adoption of ordinance; procedures

Sec. 12.5. (a) The county income tax council may adopt an ordinance to decrease the county option income tax rate in effect.

(b) To decrease the county option income tax rate, the county income tax council must adopt an ordinance. The ordinance must substantially state the following:

> "The _____ County Income Tax Council decreases the county option income tax rate from _____ percent (___ %) to _____ percent (___ %).".

(c) A county income tax council may not decrease the county option income tax if the county or any commission, board, department, or authority that is authorized by statute to pledge the county option income tax has pledged the county option income tax for any purpose permitted by IC 5-1-14 or any other statute.

(d) The county auditor shall record the votes taken on an ordinance under this subsection and, not more than ten (10) days after the vote, shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) Notwithstanding IC 6-3.5-7, a county income tax council that decreases the county option income tax in a year may not in the same

year adopt or increase the county economic development income tax under IC 6-3.5-7.

As added by P.L.42-1994, SEC.7. Amended by P.L.224-2007, SEC.75; P.L.77-2011, SEC.17; P.L.137-2012, SEC.81; P.L.261-2013, SEC.17.

IC 6-3.5-6-13

Homestead credit percentage; determination

Sec. 13. (a) A county income tax council of a county in which the county option income tax is in effect may adopt an ordinance to provide a homestead credit for homesteads in its county.

(b) A county income tax council may not provide a homestead credit percentage that exceeds the amount determined in the last STEP of the following formula:

STEP ONE: Determine the amount of the sum of all property tax levies for all taxing units in a county which are to be paid in the county in 2003 as reflected by the auditor's abstract for the 2002 assessment year, adjusted, however, for any postabstract adjustments which change the amount of the levies.

STEP TWO: Determine the amount of the county's estimated property tax replacement under IC 6-1.1-21-3(a) (before its repeal) for property taxes first due and payable in 2003.

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the amount of the county's total county levy (as defined in IC 6-1.1-21-2(g) before its repeal) for property taxes first due and payable in 2003.

STEP FIVE: Subtract the STEP FOUR amount from the STEP ONE amount.

STEP SIX: Subtract the STEP FIVE result from the STEP THREE result.

STEP SEVEN: Divide the STEP THREE result by the STEP SIX result.

STEP EIGHT: Multiply the STEP SEVEN result by eight-hundredths (0.08).

STEP NINE: Round the STEP EIGHT product to the nearest one-thousandth (0.001) and express the result as a percentage.

(c) The homestead credit percentage must be uniform for all homesteads in a county.

(d) In the ordinance that establishes the homestead credit percentage, a county income tax council may provide for a series of increases or decreases to take place for each of a group of succeeding calendar years.

(e) Any ordinance adopted under this section for a county is repealed for a year if on January 1 of that year the county option income tax is not in effect.

As added by P.L.44-1984, SEC.14. Amended by P.L.3-1989, SEC.41; P.L.224-2003, SEC.247; P.L.97-2004, SEC.30; P.L.224-2007, SEC.76; P.L.146-2008, SEC.337; P.L.77-2011, SEC.18.

IC 6-3.5-6-13.5
County income tax council meetings to consider rate adjustment

Sec. 13.5. A county income tax council must before August 1 of each odd-numbered year hold at least one (1) public meeting at which the county income tax council discusses whether the county option income tax rate under this chapter should be adjusted.

As added by P.L.182-2009(ss), SEC.218.

IC 6-3.5-6-14
Taxpayer subject to different tax rates; rate of tax

Sec. 14. If for any taxable year a county taxpayer is subject to different tax rates for the county option income tax imposed by a particular county, the taxpayer's county option income tax rate for that county and that taxable year is the rate determined in the last STEP of the following STEPS:

STEP ONE: For each tax rate in effect in a year, multiply the number of months in the taxpayer's taxable year in which the rate is in effect.

STEP TWO: Divide the sum of the amounts determined under STEP ONE by twelve (12).

As added by P.L.44-1984, SEC.14. Amended by P.L.224-2007, SEC.77; P.L.77-2011, SEC.19.

IC 6-3.5-6-15
Tax not in effect entire taxable year

Sec. 15. If the county option income tax is not in effect during a county taxpayer's entire taxable year, the amount of county option income tax that the county taxpayer owes for that taxable year equals the product of:

(1) the amount of county option income tax the county taxpayer would owe if the tax had been imposed during the county taxpayer's entire taxable year; multiplied by

(2) a fraction. The numerator of the fraction equals the number of days in the county taxpayer's taxable year during which the county option income tax was in effect. The denominator of the fraction equals the total number of days in the county taxpayer's taxable year.

However, if the taxpayer files state income tax returns on a calendar year basis, the fraction to be applied under this section is one-half (1/2).

As added by P.L.44-1984, SEC.14.

IC 6-3.5-6-16
Deposit of revenue in special account

Sec. 16. (a) A special account within the state general fund shall be established for each county that adopts the county option income tax. Any revenue derived from the imposition of the county option income tax by a county shall be deposited in that county's account in the state general fund.

(b) Any income earned on money held in an account under

subsection (a) becomes a part of that account.

(c) Any revenue remaining in an account established under subsection (a) at the end of a fiscal year does not revert to the state general fund.

As added by P.L.44-1984, SEC.14.

IC 6-3.5-6-17

Calculation of certified distribution; summary of calculation; notice to county auditor; notice to taxing units

Sec. 17. (a) Revenue derived from the imposition of the county option income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of county option income tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted (as determined after review of the recommendation of the budget agency) for refunds of county option income tax made in the state fiscal year.

(b) Before August 2 of each calendar year, the budget agency shall provide to the county auditor of each adopting county an estimate of the amount determined under subsection (a) that will be distributed to the county, based on known tax rates. Not later than thirty (30) days after receiving the estimate of the certified distribution, the county auditor shall notify each taxing unit of the estimated amount of distributive shares and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. Before October 1 of each calendar year, the budget agency shall certify to the county auditor of each adopting county the amount determined under subsection (a) plus the amount of interest in the county's account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the county's "certified distribution" for the immediately succeeding calendar year. The amount certified shall be adjusted, as necessary, under subsections (c), (d), (e), and (f). Not later than thirty (30) days after receiving the notice of the amount of the certified distribution, the county auditor shall notify each taxing unit of the amount of distributive shares and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. The budget agency shall provide the county council with an informative summary of the calculations used to determine the certified distribution. The summary of calculations must include:

(1) the amount reported on individual income tax returns processed by the department during the previous fiscal year;

(2) adjustments for over distributions in prior years;

(3) adjustments for clerical or mathematical errors in prior years;

(4) adjustments for tax rate changes; and

(5) the amount of excess account balances to be distributed under IC 6-3.5-6-17.3.

The budget agency shall also certify information concerning the part of the certified distribution that is attributable to a tax rate under section 30, 31, or 32 of this chapter. This information must be certified to the county auditor and to the department of local government finance before October 1 of each calendar year. The part of the certified distribution that is attributable to a tax rate under section 30, 31, or 32 of this chapter may be used only as specified in those provisions.

(c) The budget agency shall certify an amount less than the amount determined under subsection (b) if the budget agency determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The budget agency may reduce the amount of the certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(d) The budget agency shall adjust the certified distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this section. The budget agency may reduce the amount of the certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(e) This subsection applies to a county that imposes, increases, decreases, or rescinds a tax or tax rate under this chapter before November 1 in the same calendar year in which the budget agency makes a certification under this section. The budget agency shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in subsection (a)(1) through (a)(2) in the manner provided in subsection (c). If the county imposes, increases, decreases, or rescinds a tax or tax rate under this chapter after the date for which a certification under subsection (b) is based, the budget agency shall adjust the certified distribution of the county after September 30 of the calendar year. The adjustment shall reflect any other adjustment required under subsections (c), (d), and (f). The adjusted certification shall be treated as the county's "certified distribution" for the immediately succeeding calendar year. The budget agency shall certify the adjusted certified distribution to the county auditor for the county and provide the county council with an informative summary of the calculations that revises the informative summary provided in subsection (b) and reflects the changes made in the adjustment.

(f) This subsection applies in the year a county initially imposes a tax rate under section 30 of this chapter. Notwithstanding any other

provision, the budget agency shall adjust the part of the county's certified distribution that is attributable to the tax rate under section 30 of this chapter to provide for a distribution in the immediately following calendar year equal to the result of:

(1) the sum of the amounts determined under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) in the year in which the county initially imposes a tax rate under section 30 of this chapter; multiplied by

(2) the following:

(A) In a county containing a consolidated city, one and five-tenths (1.5).

(B) In a county other than a county containing a consolidated city, two (2).

(g) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 16 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(h) Upon receipt, each monthly payment of a county's certified distribution shall be allocated among, distributed to, and used by the civil taxing units of the county as provided in sections 18 and 19 of this chapter.

(i) All distributions from an account established under section 16 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments.

(j) The budget agency shall before May 1 of every odd-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following two (2) calendar years.

(k) The budget agency shall before May 1 of every even-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following calendar year.

(l) The estimates under subsections (j) and (k) must specify the amount of the estimated certified distributions that are attributable to the additional rate authorized under section 30 of this chapter, the additional rate authorized under section 31 of this chapter, the additional rate authorized under section 32 of this chapter, and any other additional rates authorized under this chapter.

As added by P.L.44-1984, SEC.14. Amended by P.L.23-1986, SEC.10; P.L.178-2002, SEC.61; P.L.1-2003, SEC.42; P.L.267-2003, SEC.8; P.L.207-2005, SEC.7; P.L.224-2007, SEC.78; P.L.146-2008, SEC.338; P.L.182-2009(ss), SEC.219; P.L.113-2010, SEC.64; P.L.229-2011, SEC.90; P.L.137-2012, SEC.82; P.L.261-2013, SEC.18; P.L.153-2014, SEC.7.

IC 6-3.5-6-17.2

Annual report to county auditor

Sec. 17.2. Before October 2 of each year, the budget agency shall submit a report to each county auditor indicating the balance in the

county's special account as of the cutoff date set by the budget agency.

As added by P.L.178-2002, SEC.62. Amended by P.L.267-2003, SEC.9; P.L.182-2009(ss), SEC.220.

IC 6-3.5-6-17.3

Distribution of excess balance; use

Sec. 17.3. (a) If the budget agency determines that the balance in a county trust account exceeds fifty percent (50%) of the certified distributions to be made to the county in the ensuing year, the budget agency shall make a supplemental distribution to the county from the county's special account.

(b) A supplemental distribution described in subsection (a) must be:

(1) made in January of the ensuing calendar year; and

(2) allocated in the same manner as certified distributions for deposit in a civil unit's rainy day fund established under IC 36-1-8-5.1. However, the part of a supplemental distribution that is attributable to an additional rate authorized under this chapter:

(A) shall be used for the purpose specified in the statute authorizing the additional rate; and

(B) is not required to be deposited in the unit's rainy day fund.

The amount of the supplemental distribution is equal to the amount by which the balance in the county trust account exceeds fifty percent (50%) of the certified distributions to be made to the county in the ensuing year.

(c) A determination under this section must be made before October 2.

(d) Any income earned on money held in a trust account established for a county under this chapter shall be deposited in that trust account.

As added by P.L.178-2002, SEC.63. Amended by P.L.267-2003, SEC.10; P.L.182-2009(ss), SEC.221; P.L.229-2011, SEC.91; P.L.261-2013, SEC.19.

IC 6-3.5-6-17.4

Repealed

(Repealed by P.L.267-2003, SEC.16.)

IC 6-3.5-6-17.5

Repealed

(Repealed by P.L.267-2003, SEC.16.)

IC 6-3.5-6-17.6

Repealed

(Repealed by P.L.267-2003, SEC.16.)

IC 6-3.5-6-18

Use of revenue by county auditors; distribution of revenue to civil taxing units and school corporations; qualified economic development tax projects

Sec. 18. (a) The revenue a county auditor receives under this chapter shall be used to:

(1) replace the amount, if any, of property tax revenue lost due to the allowance of an increased homestead credit within the county;

(2) fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b);

(3) fund the operation of a public transportation corporation as provided in an election, if any, made by the county fiscal body under IC 36-9-4-42;

(4) fund the operation of a public library in a county containing a consolidated city as provided in an election, if any, made by the county fiscal body under IC 36-3-7-6;

(5) make payments permitted under IC 36-7-14-25.5 or IC 36-7-15.1-17.5;

(6) make payments permitted under subsection (i);

(7) make distributions of distributive shares to the civil taxing units of a county;

(8) make the distributions permitted under sections 27, 28, 29, 30, 31, 32, and 33 of this chapter; and

(9) fund a public transportation project approved in an eligible county under IC 8-25-2 or in a township under IC 8-25-6, if any.

(b) The county auditor shall retain from the payments of the county's certified distribution, an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. This money shall be distributed to the civil taxing units and school corporations of the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.

(c) The county auditor shall retain:

(1) the amount, if any, specified by the county fiscal body for a particular calendar year under subsection (i), IC 36-3-7-6, IC 36-7-14-25.5, IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the county's certified distribution for that same calendar year; and

(2) the amount of an additional tax rate imposed under section 27, 28, 29, 30, 31, 32, or 33 of this chapter.

The county auditor shall distribute amounts retained under this subsection to the county.

(d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.

(e) The amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of the following:

(1) The amount of revenue that is to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the allocation amount for the civil taxing unit for the calendar year in which the month falls. The denominator of the fraction equals the sum of the allocation amounts of all the civil taxing units of the county for the calendar year in which the month falls.

(f) The department of local government finance shall provide each county auditor with the fractional amount of distributive shares that each civil taxing unit in the auditor's county is entitled to receive monthly under this section.

(g) Notwithstanding subsection (e), if a civil taxing unit of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which distributive shares are being distributed under this section, that civil taxing unit is entitled to receive a part of the revenue to be distributed as distributive shares under this section within the county. The fractional amount such a civil taxing unit is entitled to receive each month during that calendar year equals the product of the following:

(1) The amount to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the budget of that civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.

(h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by the amount of distributive shares allocated under subsection (g) for that same month. The department of local government finance shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

(i) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter (other than revenues attributable to a tax rate imposed under section 30, 31, or 32 of this chapter for property tax relief or public safety) to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents.

As added by P.L.44-1984, SEC.14. Amended by P.L.225-1986, SEC.10; P.L.32-1986, SEC.2; P.L.84-1987, SEC.3; P.L.2-1989, SEC.16; P.L.28-1993, SEC.7; P.L.273-1999, SEC.71; P.L.283-2001, SEC.4; P.L.90-2002, SEC.296; P.L.120-2002, SEC.4; P.L.1-2003, SEC.44; P.L.255-2003, SEC.4; P.L.207-2005, SEC.8; P.L.162-2006, SEC.31; P.L.184-2006, SEC.6; P.L.1-2007, SEC.63; P.L.224-2007,

SEC.79; P.L.182-2009(ss), SEC.222; P.L.135-2011, SEC.1; P.L.153-2014, SEC.8.

IC 6-3.5-6-18.5
Distributive shares to civil taxing units in counties containing a consolidated city

Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	$1,898,145
Decatur Township	$164,103
Franklin Township	$173,934
Lawrence Township	$890,086
Perry Township	$854,544
Pike Township	$1,410,375
Warren Township	$1,027,721
Washington Township	$1,017,890
Wayne Township	$988,397
Lawrence-City	$648,848
Beech Grove	$639,017
Southport	$18,906
Speedway	$546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 for each civil taxing unit for the calendar year in which the month falls, plus, for a county, the welfare allocation amount; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the welfare allocation amount.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the welfare allocation amount; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the welfare allocation amount.

(c) The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and the property taxes

imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, thirty-five million dollars ($35,000,000).

As added by P.L.42-1994, SEC.10. Amended by P.L.98-1995, SEC.1; P.L.273-1999, SEC.72; P.L.283-2001, SEC.5; P.L.120-2002, SEC.5; P.L.255-2003, SEC.5; P.L.234-2005, SEC.5; P.L.146-2008, SEC.339.

IC 6-3.5-6-18.6

Timing of income tax distributions within the county

Sec. 18.6. (a) The county auditor shall timely distribute the certified distribution received under section 17 of this chapter to each civil taxing unit that is a recipient of distributive shares as provided by sections 18 and 18.5 of this chapter.

(b) A distribution is considered to be timely made if the distribution is made not later than ten (10) working days after the date the county treasurer receives the county's certified distribution under section 17 of this chapter.

As added by P.L.26-2009, SEC.2.

IC 6-3.5-6-19

Calculation of distributive shares; allowable uses of revenue

Sec. 19. (a) Except as provided in sections 18(e) and 18.5(b)(3) of this chapter, in determining the fractional share of distributive shares the civil taxing units of a county are entitled to receive under section 18 of this chapter during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property subject to assessment in that county.

(b) In determining the amount of distributive shares a civil taxing unit is entitled to receive under section 18(g) of this chapter, the department of local government finance shall consider only the percentage of the civil taxing unit's budget that equals the ratio that the total assessed valuation that lies within the civil taxing unit and the county that has adopted the county option tax bears to the total assessed valuation that lies within the civil taxing unit.

(c) The distributive shares to be allocated and distributed under this chapter:

(1) shall be treated by each civil taxing unit as additional revenue for the purpose of fixing the civil taxing unit's budget for the budget year during which the distributive shares are to be distributed to the civil taxing unit; and

(2) may be used for any lawful purpose of the civil taxing unit.

(d) In the case of a civil taxing unit that includes a consolidated city, its fiscal body may distribute any revenue it receives under this chapter to any governmental entity located in its county except an excluded city, a township, or a school corporation.

As added by P.L.44-1984, SEC.14. Amended by P.L.225-1986,

SEC.11; P.L.273-1999, SEC.73; P.L.90-2002, SEC.297; P.L.267-2003, SEC.11; P.L.118-2005, SEC.1.

IC 6-3.5-6-20
County residents; determination

Sec. 20. (a) For purposes of this chapter, an individual shall be treated as a resident of the county in which he:

(1) maintains a home, if the individual maintains only one (1) in Indiana;

(2) if subdivision (1) does not apply, is registered to vote;

(3) if subdivision (1) or (2) does not apply, registers his personal automobile; or

(4) if subdivision (1), (2), or (3) does not apply, spends the majority of his time spent in Indiana during the taxable year in question.

(b) The residence or principal place of business or employment of an individual is to be determined on January 1 of the calendar year in which the individual's taxable year commences. If an individual changes the location of his residence or principal place of employment or business to another county in Indiana during a calendar year, his liability for county option income tax is not affected.

(c) Notwithstanding subsection (b), if an individual becomes a county taxpayer for purposes of IC 36-7-27 during a calendar year because the individual:

(1) changes the location of the individual's residence to a county in which the individual begins employment or business at a qualified economic development tax project (as defined in IC 36-7-27-9); or

(2) changes the location of the individual's principal place of employment or business to a qualified economic development tax project and does not reside in another county in which the county option income tax is in effect;

the individual's adjusted gross income attributable to employment or business at the qualified economic development tax project is taxable only by the county containing the qualified economic development tax project.

As added by P.L.44-1984, SEC.14. Amended by P.L.42-1994, SEC.11.

IC 6-3.5-6-21
Reciprocity agreements

Sec. 21. (a) Using procedures provided under this chapter, the county income tax council of any adopting county may pass an ordinance to enter into reciprocity agreements with the taxing authority of any city, town, municipality, county, or other similar local governmental entity of any other state. The reciprocity agreements must provide that the income of resident county taxpayers is exempt from income taxation by the other local governmental entity to the extent income of the residents of the other

local governmental entity is exempt from the county option income tax in the adopting county.

(b) A reciprocity agreement adopted under this section may not become effective until it is also made effective in the other local governmental entity that is a party to the agreement.

(c) The form and effective date of any reciprocity agreement described in this section must be approved by the department.

As added by P.L.44-1984, SEC.14.

IC 6-3.5-6-22

Adjusted gross income tax provisions; applicability; employer's withholding report

Sec. 22. (a) Except as otherwise provided in subsection (b) and the other provisions of this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;
(2) declarations of estimated tax;
(3) filing of returns;
(4) deductions or exemptions from adjusted gross income;
(5) remittances;
(6) incorporation of the provisions of the Internal Revenue Code;
(7) penalties and interest; and
(8) exclusion of military pay credits for withholding;

apply to the imposition, collection, and administration of the tax imposed by this chapter.

(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings attributable to each county. This report shall be submitted to the department:

(1) each time the employer remits to the department the tax that is withheld; and
(2) annually along with the employer's annual withholding report.

As added by P.L.44-1984, SEC.14. Amended by P.L.23-1986, SEC.11; P.L.57-1997, SEC.5; P.L.146-2008, SEC.340.

IC 6-3.5-6-23

Credit for income tax imposed by local governmental entity outside Indiana

Sec. 23. (a) Except as provided in subsection (b), if for a particular taxable year a county taxpayer is liable for an income tax imposed by a county, city, town, or other local governmental entity located outside of Indiana, that county taxpayer is entitled to a credit against the county option income tax liability for that same taxable year. The amount of the credit equals the amount of tax imposed by the other governmental entity on income derived from sources outside Indiana and subject to the county option income tax. However, the credit provided by this section may not reduce a county

taxpayer's county option income tax liability to an amount less than would have been owed if the income subject to taxation by the other governmental entity had been ignored.

(b) The credit provided by this section does not apply to a county taxpayer to the extent that the other governmental entity provides for a credit to the taxpayer for the amount of county option income taxes owed under this chapter.

(c) To claim the credit provided by this section, a county taxpayer must provide the department with satisfactory evidence that the taxpayer is entitled to the credit.

As added by P.L.23-1986, SEC.12.

IC 6-3.5-6-24

Credit for the elderly or persons with a total disability

Sec. 24. (a) If for a particular taxable year a county taxpayer is, or a county taxpayer and the taxpayer's spouse who file a joint return are, allowed a credit for the elderly or individuals with a total disability under Section 22 of the Internal Revenue Code, the county taxpayer is, or the county taxpayer and the taxpayer's spouse are, entitled to a credit against the county option income tax liability for that same taxable year. The amount of the credit equals the lesser of:

(1) the product of:

(A) the credit for the elderly or individuals with a total disability for that same taxable year; multiplied by

(B) a fraction, the numerator of which is the county option income tax rate imposed against the county taxpayer, or the county taxpayer and the taxpayer's spouse, and the denominator of which is fifteen-hundredths (0.15); or

(2) the amount of county option income tax imposed on the county taxpayer, or the county taxpayer and the taxpayer's spouse.

(b) If a county taxpayer and the taxpayer's spouse file a joint return and are subject to different county option income tax rates for the same taxable year, they shall compute the credit under this section by using the formula provided by subsection (a), except that they shall use the average of the two (2) county option income tax rates imposed against them as the numerator referred to in subsection (a)(1)(B).

As added by P.L.23-1986, SEC.13. Amended by P.L.63-1988, SEC.10; P.L.99-2007, SEC.28.

IC 6-3.5-6-25

Public sale of obligations

Sec. 25. Notwithstanding any other law, if a civil taxing unit desires to issue obligations, or enter into leases, payable wholly or in part by the county option income tax, the obligations of the civil taxing unit or any lessor may be sold at public sale in accordance with IC 5-1-11 or at negotiated sale.

As added by P.L.2-1989, SEC.17.

IC 6-3.5-6-26

Enforcement of pledge of county option income tax revenue; covenant by general assembly

Sec. 26. (a) A pledge of county option income tax revenues received under this chapter (other than revenues attributable to a tax rate imposed under section 30, 31, or 32 of this chapter for property tax relief or public safety) is enforceable in accordance with IC 5-1-14.

(b) With respect to obligations for which a pledge has been made under this chapter, the general assembly covenants with the county and the purchasers or owners of those obligations that this chapter will not be repealed or amended in any manner that will adversely affect the tax collected under this chapter as long as the principal of or interest on those obligations is unpaid.

As added by P.L.178-2002, SEC.67. Amended by P.L.224-2007, SEC.82; P.L.153-2014, SEC.9.

IC 6-3.5-6-27

Miami County additional rate; findings; uses

Sec. 27. (a) This section applies only to Miami County. Miami County possesses unique economic development challenges due to:

(1) underemployment in relation to similarly situated counties; and

(2) the presence of a United States government military base or other military installation that is completely or partially inactive or closed.

Maintaining low property tax rates is essential to economic development, and the use of county option income tax revenues as provided in this chapter to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described under subsection (c), rather than use of property taxes, promotes that purpose.

(b) In addition to the rates permitted by sections 8 and 9 of this chapter, the county council may impose the county option income tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of resident county taxpayers if the county council makes the finding and determination set forth in subsection (c). Section 8(e) of this chapter applies to the application of the additional rate to nonresident taxpayers.

(c) In order to impose the county option income tax as provided in this section, the county council must adopt an ordinance finding and determining that revenues from the county option income tax are needed to pay the costs of financing, constructing, acquiring, renovating, and equipping a county jail, including the repayment of bonds issued, or leases entered into, for financing, constructing, acquiring, renovating, and equipping a county jail.

(d) If the county council makes a determination under subsection (c), the county council may adopt a tax rate under subsection (b). The tax rate may not be imposed at a rate or for a time greater than is necessary to pay the costs of financing, constructing, acquiring,

renovating, and equipping a county jail.

(e) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County option income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 18 of this chapter.

(f) County option income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued, or leases entered into, for the purposes described in subsection (c).

(g) The budget agency shall adjust the certified distribution of a county to provide for an increased distribution of taxes in the immediately following calendar year after the county adopts an increased tax rate under this section and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in section 17(a)(1) through 17(a)(2) of this chapter in the manner provided in section 17(c) of this chapter.

As added by P.L.214-2005, SEC.18. Amended by P.L.182-2009(ss), SEC.223.

IC 6-3.5-6-28

Howard County additional rate; findings; uses

Sec. 28. (a) This section applies only to Howard County.

(b) Maintaining low property tax rates is essential to economic development, and the use of county option income tax revenues as provided in this section and as needed in the county to fund the operation and maintenance of a jail and juvenile detention center, rather than the use of property taxes, promotes that purpose.

(c) In addition to the rates permitted by sections 8 and 9 of this chapter, the county fiscal body may impose a county option income tax at a rate that does not exceed twenty-five hundredths percent (0.25%) on the adjusted gross income of resident county taxpayers. The tax rate may be adopted in any increment of one hundredth percent (0.01%). Before the county fiscal body may adopt a tax rate under this section, the county fiscal body must make the finding and determination set forth in subsection (d). Section 8(e) of this chapter applies to the application of the additional tax rate to nonresident taxpayers.

(d) In order to impose the county option income tax as provided in this section, the county fiscal body must adopt an ordinance:

(1) finding and determining that revenues from the county option income tax are needed in the county to fund the operation and maintenance of a jail, a juvenile detention center, or both; and

(2) agreeing to freeze the part of any property tax levy imposed

in the county for the operation of the jail or juvenile detention center, or both, covered by the ordinance at the rate imposed in the year preceding the year in which a full year of additional county option income tax is certified for distribution to the county under this section for the term in which an ordinance is in effect under this section.

(e) If the county fiscal body makes a determination under subsection (d), the county fiscal body may adopt a tax rate under subsection (c). Subject to the limitations in subsection (c), the county fiscal body may amend an ordinance adopted under this section to increase, decrease, or rescind the additional tax rate imposed under this section. Not more than ten (10) days after the vote, the county fiscal body shall send a certified copy of the ordinance to the county auditor, the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(f) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County option income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 18 of this chapter.

(g) County option income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for the purposes described in this section; and

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5.

(h) The department of local government finance shall enforce an agreement under subsection (d)(2).

(i) The budget agency shall adjust the certified distribution of a county to provide for an increased distribution of taxes in the immediately following calendar year after the county adopts an increased tax rate under this section and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in section 17(a)(1) through 17(a)(2) of this chapter in the manner provided in section 17(c) of this chapter.

(j) The department shall separately designate a tax rate imposed under this section in any tax form as the Howard County jail operating and maintenance income tax.

As added by P.L.214-2005, SEC.19. Amended by P.L.224-2007, SEC.80; P.L.182-2009(ss), SEC.224; P.L.77-2011, SEC.20; P.L.137-2012, SEC.83; P.L.261-2013, SEC.20.

IC 6-3.5-6-29

Scott County additional rate; findings; uses

Sec. 29. (a) This section applies only to Scott County. Scott County is a county in which:

(1) maintaining low property tax rates is essential to economic development; and

(2) the use of additional county option income tax revenues as provided in this section, rather than the use of property taxes, to fund:

(A) the financing, construction, acquisition, improvement, renovation, equipping, operation, or maintenance of jail facilities; and

(B) the repayment of bonds issued or leases entered into for the purposes described in clause (A), except operation or maintenance;

promotes the purpose of maintaining low property tax rates.

(b) The county fiscal body may impose the county option income tax on the adjusted gross income of resident county taxpayers at a rate, in addition to the rates permitted by sections 8 and 9 of this chapter, not to exceed twenty-five hundredths percent (0.25%). Section 8(e) of this chapter applies to the application of the additional rate to nonresident taxpayers.

(c) To impose the county option income tax as provided in this section, the county fiscal body must adopt an ordinance finding and determining that additional revenues from the county option income tax are needed in the county to fund:

(1) the financing, construction, acquisition, improvement, renovation, equipping, operation, or maintenance of jail facilities; and

(2) the repayment of bonds issued or leases entered into for the purposes described in subdivision (1), except operation or maintenance.

(d) If the county fiscal body makes a determination under subsection (c), the county fiscal body may adopt an additional tax rate under subsection (b). Subject to the limitations in subsection (b), the county fiscal body may amend an ordinance adopted under this section to increase, decrease, or rescind the additional tax rate imposed under this section. Not more than ten (10) days after the vote, the county fiscal body shall send a certified copy of the ordinance to the county auditor, the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) If the county imposes an additional tax rate under this section, the county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County option income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 18 of this chapter.

(f) County option income tax revenues derived from an additional tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum

permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged for the repayment of bonds issued or leases entered into to fund the purposes described in subsection (c)(1), except operation or maintenance.

(g) If the county imposes an additional tax rate under this section, the budget agency shall adjust the certified distribution of the county to provide for an increased distribution of taxes in the immediately following calendar year after the county adopts the increased tax rate and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in section 17(a)(1) through 17(a)(2) of this chapter in the manner provided in section 17(c) of this chapter.

As added by P.L.162-2006, SEC.32 and P.L.184-2006, SEC.7. Amended by P.L.1-2007, SEC.64; P.L.224-2007, SEC.81; P.L.182-2009(ss), SEC.225; P.L.77-2011, SEC.21; P.L.137-2012, SEC.84; P.L.261-2013, SEC.21.

IC 6-3.5-6-30

Rate for property tax levy freeze; rate for public transportation

Sec. 30. (a) In a county in which the county option income tax is in effect, the county income tax council may adopt an ordinance to impose or increase (as applicable) a tax rate under this section.

(b) In a county in which neither the county option adjusted gross income tax nor the county option income tax is in effect, the county income tax council may adopt an ordinance to impose a tax rate under this section.

(c) If a county income tax council adopts an ordinance to impose or increase a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(d) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(e) Except as provided in subsection (u), the following apply only in the year in which a county income tax council first imposes a tax rate under this section:

(1) The county income tax council shall, in the ordinance imposing the tax rate, specify the tax rate for each of the following two (2) years.

(2) The tax rate that must be imposed in the county in the first year is equal to the result of:

(A) the tax rate determined for the county under IC 6-3.5-1.5-1(b) in that year; multiplied by

(B) the following:

(i) In a county containing a consolidated city, one and five-tenths (1.5).

(ii) In a county other than a county containing a

consolidated city, two (2).

(3) The tax rate that must be imposed in the county in the second year is the tax rate determined for the county under IC 6-3.5-1.5-1(c). The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(4) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year and to property taxes first due and payable in the calendar year after the ensuing calendar year.

(f) Except as provided in subsection (u), the following apply only in a year in which a county income tax council increases a tax rate under this section:

(1) The county income tax council shall, in the ordinance increasing the tax rate, specify the tax rate for the following year.

(2) The tax rate that must be imposed in the county is equal to the result of:

(A) the tax rate determined for the county under IC 6-3.5-1.5-1(b) in the year the tax rate is increased; plus

(B) the tax rate currently in effect in the county under this section.

The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(3) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year.

(g) Except as provided in subsection (u), the department of local government finance shall determine the following property tax replacement distribution amounts:

STEP ONE: Determine the sum of the amounts determined under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) for the county in the preceding year.

STEP TWO: For distribution to each civil taxing unit that in the year had a maximum permissible property tax levy limited under IC 6-1.1-18.5-3(b), determine the result of:

(1) the quotient of:

(A) the part of the amount determined under STEP ONE of IC 6-3.5-1.5-1(b) in the preceding year that was attributable to the civil taxing unit; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP THREE: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county family and children's fund before 2009,

determine the result of:

(1) the quotient of:

(A) the amount determined under STEP TWO of IC 6-3.5-1.5-1(b) in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FOUR: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county children's psychiatric residential treatment services fund before 2009, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP THREE of IC 6-3.5-1.5-1(b) in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FIVE: For distribution to the county for community mental health center purposes, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP FOUR of IC 6-3.5-1.5-1(b) in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

Except as provided in subsection (m), the county treasurer shall distribute the portion of the certified distribution that is attributable to a tax rate under this section as specified in this section. The county treasurer shall make the distributions under this subsection at the same time that distributions are made to civil taxing units under section 18 of this chapter.

(h) Notwithstanding sections 12 and 12.5 of this chapter, a county income tax council may not decrease or rescind a tax rate imposed under this section.

(i) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter; or

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3.

(j) The tax levy under this section shall not be considered for purposes of the credit under IC 6-1.1-20.6.

(k) Except as provided in subsections (t) and (u), a distribution under this section shall be treated as a part of the receiving civil taxing unit's property tax levy for that year for purposes of fixing its budget and for determining the distribution of taxes that are distributed on the basis of property tax levies.

(l) If a county income tax council imposes a tax rate under this section (other than a tax rate imposed under subsection (t)), the

county option income tax rate dedicated to locally funded homestead credits in the county may not be decreased.

(m) In the year following the year in which a county first imposes a tax rate under this section:

(1) one-third (1/3) of the tax revenue that is attributable to the tax rate under this section must be deposited in the county stabilization fund established under subsection (o), in the case of a county containing a consolidated city; and

(2) one-half (1/2) of the tax revenue that is attributable to the tax rate under this section (other than a tax rate imposed under subsection (t)) must be deposited in the county stabilization fund established under subsection (o), in the case of a county not containing a consolidated city.

(n) Except as provided in subsection (t) and IC 8-25, a pledge of county option income taxes does not apply to revenue attributable to a tax rate under this section.

(o) Except as provided in subsections (t) and (u), a county stabilization fund is established in each county that imposes a tax rate under this section. The county stabilization fund shall be administered by the county auditor. If for a year the certified distributions attributable to a tax rate under this section exceed the amount calculated under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section, the excess shall be deposited in the county stabilization fund. Money shall be distributed from the county stabilization fund in a year by the county auditor to political subdivisions entitled to a distribution of tax revenue attributable to the tax rate under this section if:

(1) the certified distributions attributable to a tax rate under this section are less than the amount calculated under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section for a year; or

(2) the certified distributions attributable to a tax rate under this section in a year are less than the certified distributions attributable to a tax rate under this section in the preceding year.

However, subdivision (2) does not apply to the year following the first year in which certified distributions of revenue attributable to the tax rate under this section are distributed to the county.

(p) Notwithstanding any other provision, a tax rate imposed under this section may not exceed one percent (1%).

(q) Except as provided in subsection (u), a county income tax council must each year hold at least one (1) public meeting at which the county council discusses whether the tax rate under this section should be imposed or increased.

(r) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(s) Notwithstanding any other provision, in:

(1) Lake County;

(2) Delaware County; and

(3) Madison County;

the county council (and not the county income tax council) is the entity authorized to take actions concerning the additional tax rate under this section.

(t) This subsection applies only to Delaware County and Madison County. If the voters of a county approve a local public question under IC 8-25-2, the fiscal body of the county may, after at least one (1) public meeting, adopt an ordinance to provide for the use of county option income tax revenue attributable to an additional tax rate imposed under this subsection to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not more than twenty-five hundredths percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate imposed under this subsection must be:

(1) retained by the county auditor;

(2) deposited in the county public transportation project fund established under IC 8-25-3-7; and

(3) used for the purpose provided in this subsection instead of as a property tax replacement distribution.

(u) The following do not apply to an additional tax rate imposed under subsection (t):

(1) Subsection (e).

(2) Subsection (f).

(3) Subsection (g).

(4) Subsection (k).

(5) Subsection (n).

(6) Subsection (o).

(7) Subsection (q).

As added by P.L.224-2007, SEC.83. Amended by P.L.146-2008, SEC.341; P.L.77-2011, SEC.22; P.L.172-2011, SEC.76; P.L.137-2012, SEC.85; P.L.261-2013, SEC.22; P.L.153-2014, SEC.10.

IC 6-3.5-6-31

Rate for public safety

Sec. 31. (a) As used in this section, "public safety" refers to the following:

(1) A police and law enforcement system to preserve public peace and order.

(2) A firefighting and fire prevention system.
(3) Emergency ambulance services (as defined in IC 16-18-2-107).
(4) Emergency medical services (as defined in IC 16-18-2-110).
(5) Emergency action (as defined in IC 13-11-2-65).
(6) A probation department of a court.
(7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other correctional services for a person who has been:
(A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);
(B) convicted of a crime; or
(C) adjudicated as a delinquent child or a child in need of services.
(8) A juvenile detention facility under IC 31-31-8.
(9) A juvenile detention center under IC 31-31-9.
(10) A county jail.
(11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2 (before its repeal on July 1, 2012)), or the statewide 911 system (as defined in IC 36-8-16.7-22).
(12) Medical and health expenses for jail inmates and other confined persons.
(13) Pension payments for any of the following:
(A) A member of the fire department (as defined in IC 36-8-1-8) or any other employee of a fire department.
(B) A member of the police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by a police department.
(C) A county sheriff or any other member of the office of the county sheriff.
(D) Other personnel employed to provide a service described in this section.

(b) The county income tax council may adopt an ordinance to impose an additional tax rate under this section to provide funding for public safety if:
(1) the county income tax council has imposed a tax rate under section 30 of this chapter, in the case of a county containing a consolidated city; or
(2) the county income tax council has imposed a tax rate of at least twenty-five hundredths of one percent (0.25%) under section 30 of this chapter, a tax rate of at least twenty-five hundredths of one percent (0.25%) under section 32 of this chapter, or a total combined tax rate of at least twenty-five hundredths of one percent (0.25%) under sections 30 and 32 of

this chapter, in the case of a county other than a county containing a consolidated city.

(c) A tax rate under this section may not exceed the following:

(1) Five-tenths of one percent (0.5%), in the case of a county containing a consolidated city.

(2) Twenty-five hundredths of one percent (0.25%), in the case of a county other than a county containing a consolidated city.

(d) If a county income tax council adopts an ordinance to impose a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(f) Except as provided in subsections (l) and (m), the county auditor shall distribute the portion of the certified distribution that is attributable to a tax rate under this section to the county and to each municipality in the county that is carrying out or providing at least one (1) of the public safety purposes described in subsection (a). The amount that shall be distributed to the county or municipality is equal to the result of:

(1) the portion of the certified distribution that is attributable to a tax rate under this section; multiplied by

(2) a fraction equal to:

(A) the total property taxes being collected in the county by the county or municipality for the calendar year; divided by

(B) the sum of the total property taxes being collected in the county by the county and each municipality in the county that is entitled to a distribution under this section for the calendar year.

The county auditor shall make the distributions required by this subsection not more than thirty (30) days after receiving the portion of the certified distribution that is attributable to a tax rate under this section. Tax revenue distributed to a county or municipality under this subsection must be deposited into a separate account or fund and may be appropriated by the county or municipality only for public safety purposes.

(g) The department of local government finance may not require a county or municipality receiving tax revenue under this section to reduce the county's or municipality's property tax levy for a particular year on account of the county's or municipality's receipt of the tax revenue.

(h) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other

provision of this chapter;

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or

(3) the credit under IC 6-1.1-20.6.

(i) The tax rate under this section may be imposed or rescinded at the same time and in the same manner that the county may impose or increase a tax rate under section 30 of this chapter.

(j) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(k) Notwithstanding any other provision, in Lake County the county council (and not the county income tax council) is the entity authorized to take actions concerning the additional tax rate under this section.

(l) Two (2) or more political subdivisions that are entitled to receive a distribution under this section may adopt resolutions providing that some part or all of those distributions shall instead be paid to one (1) political subdivision in the county to carry out specific public safety purposes specified in the resolutions.

(m) A fire department, volunteer fire department, or emergency medical services provider that:

(1) provides fire protection or emergency medical services within the county; and

(2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;

may before July 1 of a year apply to the county income tax council for a distribution of tax revenue under this section during the following calendar year. The county income tax council shall review an application submitted under this subsection and may before September 1 of a year adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is distributed under subsection (f).

As added by P.L.224-2007, SEC.84. Amended by P.L.146-2008, SEC.342; P.L.172-2011, SEC.77; P.L.132-2012, SEC.4; P.L.137-2012, SEC.86; P.L.13-2013, SEC.25; P.L.261-2013, SEC.23.

IC 6-3.5-6-32

Rate for property tax relief

Sec. 32. (a) A county income tax council may impose a tax rate under this section to provide property tax relief to taxpayers in the

county. A county income tax council is not required to impose any other tax before imposing a tax rate under this section.

(b) A tax rate under this section may be imposed in increments of five-hundredths of one percent (0.05%) determined by the county income tax council. A tax rate under this section may not exceed one percent (1%).

(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(d) If a county income tax council adopts an ordinance to impose or increase a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded at the same time and in the same manner that the county income tax council may impose or increase a tax rate under section 30 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county income tax council:

(1) The tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A county income tax council may not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best estimate of the amount of property tax replacement credits to be provided under this subdivision to homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly increase (before January 1, 2011) or uniformly provide (after December 31, 2010) the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property

tax levies. The homestead credits do not reduce the basis for determining any state homestead credit. The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The county auditor shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax replacement credits at a uniform rate for all qualified residential property (as defined in IC 6-1.1-20.6-4 before January 1, 2009, and as defined in section 1 of this chapter after December 31, 2008) in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year.

(4) This subdivision applies only to Lake County. The Lake County council may adopt an ordinance providing that the tax revenue from the tax rate under this section is used for any of the following:

(A) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.

(B) To provide local property tax replacement credits in Lake County in the following manner:

(i) The tax revenue under this section that is collected from taxpayers within a particular municipality in Lake County (as determined by the department based on the department's best estimate) shall be used only to provide a local property tax credit against property taxes imposed by that municipality.

(ii) The tax revenue under this section that is collected from taxpayers within the unincorporated area of Lake County (as determined by the department) shall be used only to provide a local property tax credit against property taxes imposed by the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(C) To provide property tax credits in the following manner:

(i) Sixty percent (60%) of the tax revenue under this section shall be used as provided in clause (B).

(ii) Forty percent (40%) of the tax revenue under this section shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be

used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

The county income tax council may adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or

(3) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the receiving civil taxing unit's or school corporation's property tax levy for that year for purposes of fixing the budget of the civil taxing unit or school corporation and for determining the distribution of taxes that are distributed on the basis of property tax levies. To the extent the county auditor determines that there is income tax revenue remaining from the tax under this section after providing the property tax replacement, the excess shall be credited to a dedicated county account and may be used only for property tax replacement under this section in subsequent years.

(i) The department of local government finance, and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(j) Notwithstanding any other provision, in Lake County the county council (and not the county income tax council) is the entity authorized to take actions concerning the tax rate under this section.

As added by P.L.224-2007, SEC.85. Amended by P.L.146-2008, SEC.343; P.L.113-2010, SEC.65; P.L.172-2011, SEC.78; P.L.137-2012, SEC.87; P.L.261-2013, SEC.24.

IC 6-3.5-6-33

Monroe County; additional rate for operation and maintenance of

juvenile detention center and other juvenile services facilities

Sec. 33. (a) This section applies only to Monroe County.

(b) Maintaining low property tax rates is essential to economic development, and the use of county option income tax revenues as provided in this chapter and as needed in the county to fund the operation and maintenance of a juvenile detention center and other facilities to provide juvenile services, rather than the use of property taxes, promotes that purpose.

(c) In addition to the rates permitted by sections 8 and 9 of this chapter, the county fiscal body may impose an additional county option income tax at a rate of not more than twenty-five hundredths percent (0.25%) on the adjusted gross income of resident county taxpayers if the county fiscal body makes the finding and determination set forth in subsection (d). Section 8(e) of this chapter applies to the application of the additional rate to nonresident taxpayers.

(d) In order to impose the county option income tax as provided in this section, the county fiscal body must adopt an ordinance:

(1) finding and determining that revenues from the county option income tax are needed in the county to fund the operation and maintenance of a juvenile detention center and other facilities necessary to provide juvenile services; and

(2) agreeing to freeze for the term in which an ordinance is in effect under this section the part of any property tax levy imposed in the county for the operation of the juvenile detention center and other facilities covered by the ordinance at the rate imposed in the year preceding the year in which a full year of additional county option income tax is certified for distribution to the county under this section.

(e) If the county fiscal body makes a determination under subsection (d), the county fiscal body may adopt a tax rate under subsection (c). Subject to the limitations in subsection (c), the county fiscal body may amend an ordinance adopted under this section to increase, decrease, or rescind the additional tax rate imposed under this section. Not more than ten (10) days after the vote, the county fiscal body shall send a certified copy of the ordinance to the county auditor, the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(f) The county treasurer shall establish a county juvenile detention center revenue fund to be used only for the purposes described in this section. County option income tax revenues derived from the tax rate imposed under this section shall be deposited in the county juvenile detention center revenue fund before a certified distribution is made under section 18 of this chapter.

(g) County option income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section; and

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5.

(h) The department of local government finance shall enforce an agreement made under subsection (d)(2).

(i) The budget agency shall adjust the certified distribution of a county to provide for an increased distribution of taxes in the immediately following calendar year after the county adopts an increased tax rate under this section and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in section 17(a)(1) through 17(a)(2) of this chapter in the manner provided in section 17(c) of this chapter.

As added by P.L.224-2007, SEC.86. Amended by P.L.182-2009(ss), SEC.226; P.L.77-2011, SEC.23; P.L.137-2012, SEC.88; P.L.261-2013, SEC.25.

IC 6-3.5-6-34

Applicability of tax rate in a township opting-in to a public transportation project

Sec. 34. Notwithstanding any other law, if an additional tax rate imposed under section 30(t) of this chapter is required by IC 8-25-6-10, the additional tax rate applies only to the county taxpayers who reside in a township in which the voters approve a local public question held under IC 8-25-6.

As added by P.L.153-2014, SEC.11.

IC 6-3.5-7

Chapter 7. County Economic Development Income Tax

IC 6-3.5-7-0.3

Legalization of certain county income tax council actions; legalization of certain capital improvement plans

Sec. 0.3. The following are legalized and validated:

(1) Any action taken by a county income tax council in adopting the county economic development income tax, if the action would have been valid under section 5 of this chapter, as amended by P.L.28-1993.

(2) Any action of a county in adopting a capital improvement plan under section 15 of this chapter, if the action would have been valid under this chapter, as amended by P.L.28-1993.

As added by P.L.220-2011, SEC.148.

IC 6-3.5-7-1

"Adjusted gross income"

Sec. 1. (a) Except as otherwise provided in this section, as used in this chapter, "adjusted gross income" has the meaning set forth in IC 6-3-1-3.5(a).

(b) In the case of a county taxpayer who is not a resident of a county that has imposed the county economic development income tax, the term "adjusted gross income" includes only adjusted gross income derived from the taxpayer's principal place of business or employment.

(c) In the case of a county taxpayer who is a resident of Perry County, the term "adjusted gross income" does not include adjusted gross income that is:

(1) earned in a county that is:

(A) located in another state; and

(B) adjacent to the county in which the taxpayer resides; and

(2) subject to an income tax imposed by a county, city, town, or other local governmental entity in the other state.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.66-1991, SEC.1; P.L.12-1992, SEC.29; P.L.170-2002, SEC.28; P.L.119-2012, SEC.46.

IC 6-3.5-7-1.5

Repealed

(Repealed by P.L.137-2012, SEC.89.)

IC 6-3.5-7-2

"County council"

Sec. 2. As used in this chapter, "county council" includes the city-county council of a consolidated city.

As added by P.L.380-1987(ss), SEC.6.

IC 6-3.5-7-3

"County taxpayer"

Sec. 3. As used in this chapter, "county taxpayer" as it relates to a county for a year means any individual who:

(1) resides in that county on the date specified in section 17 of this chapter; or

(2) maintains a principal place of business or employment in that county on the date specified in section 17 of this chapter and who does not on that same date reside in another county in which the county adjusted gross income tax, the county option income tax, or the county economic development income tax is in effect.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.22-1988, SEC.6.

IC 6-3.5-7-4
"Department"

Sec. 4. As used in the chapter, "department" refers to the department of state revenue.

As added by P.L.380-1987(ss), SEC.6.

IC 6-3.5-7-4.3
Repealed

(Repealed by P.L.137-2012, SEC.90; P.L.137-2012, SEC.134.)

IC 6-3.5-7-4.6
Repealed

(Repealed by P.L.137-2012, SEC.91.)

IC 6-3.5-7-4.7
Repealed

(Repealed by P.L.137-2012, SEC.92.)

IC 6-3.5-7-4.8
Repealed

(Repealed by P.L.137-2012, SEC.93.)

IC 6-3.5-7-4.9
Time within which to adopt ordinance; effective date of ordinances

Sec. 4.9. (a) Notwithstanding any other provision of this chapter, a power granted by this chapter to adopt an ordinance to:

(1) impose, increase, decrease, or rescind a tax or tax rate; or

(2) grant, increase, decrease, rescind, or change a homestead credit or property tax replacement credit authorized under this chapter;

may be exercised at any time in a year before November 1 of that year.

(b) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that imposes, increases, decreases, or rescinds a tax or a tax rate takes effect as follows:

(1) An ordinance adopted after December 31 of the immediately preceding year and before September 1 of the current year takes

effect on October 1 of the current year.

(2) An ordinance adopted after August 31 and before November 1 of the current year takes effect on January 1 of the following year.

(c) Notwithstanding any other provision of this chapter, an ordinance authorized by this chapter that grants, increases, decreases, rescinds, or changes a homestead credit or property tax replacement credit authorized under this chapter takes effect for and applies to property taxes first due and payable in the year immediately following the year in which the ordinance is adopted.

(d) If the commissioner of the department determines that an ordinance described in subsection (b) was not adopted according to the requirements of this article or is otherwise not in compliance with this article:

(1) the commissioner shall:

(A) notify the county auditor that the ordinance was not adopted according to the requirements of this article or is not in compliance with this article; and

(B) specify the corrective action that must be taken for the ordinance to be adopted according to the requirements of this article and to be in compliance with this article; and

(2) the ordinance may not take effect until the corrective action is taken.

As added by P.L.113-2010, SEC.66. Amended by P.L.261-2013, SEC.26.

IC 6-3.5-7-5

Imposition of tax; procedures; rate of tax; ordinance; effective date; vote

Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. Except as provided in section 26(m) of this chapter, the entity that may impose the tax is:

(1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on October 1 of the year the county economic development income tax is imposed;

(2) the county council if the county adjusted gross income tax is in effect on October 1 of the year the county economic development tax is imposed; or

(3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in this section and section 28 of this chapter, the county economic development income tax may be imposed at a rate of:

(1) one-tenth percent (0.1%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);
(4) three-tenths percent (0.3%);
(5) thirty-five hundredths percent (0.35%);
(6) four-tenths percent (0.4%);
(7) forty-five hundredths percent (0.45%); or
(8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in this section, the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in this section, the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose, increase, decrease, or rescind the county economic development income tax, the appropriate body must adopt an ordinance.

(e) The ordinance to impose the tax must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county.".

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this chapter and shall, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(g) For Jackson County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(h) For Pulaski County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(i) For Wayne County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(j) This subsection applies to Randolph County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%);

and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter.

(k) For Daviess County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(l) For:

(1) Elkhart County; or

(2) Marshall County;

except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(m) For Union County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(n) This subsection applies to Knox County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and:

(A) the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%); or

(B) the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 24 of this chapter.

(o) This subsection applies to a county in which an adopting entity approves the use of the certified distribution for property tax relief under section 26(c) and 26(e) of this chapter or to a county in which the county fiscal body approves the use of the certified distribution to fund a public transportation project under section 26(m) of this chapter. In addition:

(1) the county economic development income tax may be imposed at a rate that exceeds by not more than twenty-five hundredths percent (0.25%) the maximum rate that would otherwise apply under this section; and

(2) the:

(A) county economic development income tax; and

(B) county option income tax or county adjusted gross income tax;

may be imposed at combined rates that exceed by not more than twenty-five hundredths percent (0.25%) the maximum combined rates that would otherwise apply under this section.

Except as provided in section 5.5 of this chapter, the additional rate imposed under this subsection may not exceed the amount necessary to mitigate the increased ad valorem property taxes on homesteads (as defined in IC 6-1.1-20.9-1 (repealed) before January 1, 2009, or IC 6-1.1-12-37 after December 31, 2008) or residential property (as defined in section 26 of this chapter), as appropriate under the ordinance adopted by the adopting body in the county, resulting from the deduction of the assessed value of inventory in the county under IC 6-1.1-12-41 or IC 6-1.1-12-42 or from the exclusion in 2008 of inventory from the definition of personal property in IC 6-1.1-1-11.

(p) If the county economic development income tax is imposed as authorized under subsection (o) at a rate that exceeds the maximum rate that would otherwise apply under this section, the certified distribution must be used for a purpose provided in section 26 of this chapter to the extent that the certified distribution results from the difference between:

(1) the actual county economic development tax rate; and

(2) the maximum rate that would otherwise apply under this section.

(q) This subsection applies only to a county described in section 27 of this chapter. Except as provided in subsection (o), in addition to the rates permitted by subsection (b), the:

(1) county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 27 of this chapter.

(r) Except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%) if the county has imposed the county adjusted gross income tax under IC 6-3.5-1.1-3.3.

(s) This subsection applies to Howard County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(t) This subsection applies to Scott County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(u) This subsection applies to Jasper County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(v) An additional county economic development income tax rate imposed under section 28 of this chapter may not be considered in calculating any limit under this section on the sum of:

(1) the county economic development income tax rate plus the county adjusted gross income tax rate; or

(2) the county economic development tax rate plus the county option income tax rate.

(w) The income tax rate limits imposed by subsection (c) or (x) or any other provision of this chapter do not apply to:

(1) a county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or

(2) a county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

For purposes of computing the maximum combined income tax rate under subsection (c) or (x) or any other provision of this chapter that may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and this chapter, a county's county adjusted gross income tax rate or county option income tax rate for a particular year does not include the county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

(x) This subsection applies to Monroe County. Except as provided in subsection (o), if an ordinance is adopted under IC 6-3.5-6-33, the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(y) This subsection applies to Perry County. Except as provided in subsection (o), if an ordinance is adopted under section 27.5 of this chapter, the county economic development income tax rate plus the county option income tax rate that is in effect on January 1 of a year may not exceed one and seventy-five hundredths percent (1.75%).

(z) This subsection applies to Starke County. Except as provided in subsection (o), if an ordinance is adopted under section 27.6 of this chapter, the county economic development income tax rate plus the county adjusted gross income tax rate that is in effect on January 1 of a year may not exceed two percent (2%).

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.35-1990, SEC.20; P.L.28-1993, SEC.8; P.L.44-1994, SEC.6; P.L.99-1995, SEC.1; P.L.119-1998, SEC.11; P.L.135-2001, SEC.6; P.L.291-2001, SEC.179; P.L.185-2001, SEC.3; P.L.1-2002, SEC.34; P.L.178-2002, SEC.68; P.L.192-2002(ss), SEC.121; P.L.42-2003, SEC.5; P.L.224-2003, SEC.254; P.L.97-2004, SEC.31; P.L.214-2005, SEC.20; P.L.162-2006, SEC.33; P.L.184-2006, SEC.8; P.L.1-2007, SEC.65; P.L.224-2007, SEC.87; P.L.232-2007, SEC.3; P.L.3-2008, SEC.62; P.L.146-2008, SEC.344; P.L.77-2011, SEC.24;

P.L.199-2011, SEC.1; P.L.119-2012, SEC.48; P.L.137-2012, SEC.94; P.L.261-2013, SEC.27; P.L.153-2014, SEC.12.

IC 6-3.5-7-5.5
Limits on additional rate to mitigate the effect of inventory deduction do not apply to additional tax rate for public transportation

Sec. 5.5. (a) This section applies to Hamilton County and Marion County.

(b) If an additional tax rate is imposed under section 5(o) of this chapter:

(1) by a county subject to this section; and

(2) for the purpose described in section 26(m) of this chapter;

the additional tax rate is not subject to the limitations set forth in section 5(o) of this chapter that relate to increased ad valorem property taxes on homesteads or residential property resulting from the exclusion of inventory from the definition of personal property in IC 6-1.1-1-11.

As added by P.L.153-2014, SEC.13.

IC 6-3.5-7-6
Rate decrease or increase; limitations; ordinance; vote

Sec. 6. (a) The body imposing the tax may decrease or increase the county economic development income tax rate imposed upon the county taxpayers as long as the resulting rate does not exceed the rates specified in section 5(b) and 5(c) of this chapter. The rate imposed under this section must be adopted at one (1) of the rates specified in section 5(b) of this chapter. To decrease or increase the rate, the appropriate body must adopt an ordinance. The ordinance must substantially state the following:

"The _____ County _____ increases (decreases) the county economic development income tax rate imposed upon the county taxpayers of the county from _____ percent (___%) to _____ percent (___%).".

(b) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.35-1990, SEC.21; P.L.44-1994, SEC.7; P.L.99-1995, SEC.2; P.L.119-1998, SEC.12; P.L.224-2007, SEC.88; P.L.77-2011, SEC.25; P.L.137-2012, SEC.95; P.L.261-2013, SEC.28.

IC 6-3.5-7-7
Tax effective until rescission; rescinding ordinance; vote

Sec. 7. (a) The county economic development income tax imposed under this chapter remains in effect until rescinded.

(b) Subject to section 14 of this chapter, the body imposing the county economic development income tax may rescind the tax by adopting an ordinance.

(c) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.35-1990, SEC.22; P.L.28-1997, SEC.19; P.L.224-2007, SEC.89; P.L.77-2011, SEC.26; P.L.137-2012, SEC.96; P.L.261-2013, SEC.29.

IC 6-3.5-7-8

Tax effective for less than taxable year; calculation

Sec. 8. If the county economic development income tax is not in effect during a county taxpayer's entire taxable year, then the amount of county economic development income tax that the county taxpayer owes for that taxable year equals the product of:

(1) the amount of county economic development income tax the county taxpayer would owe if the tax had been imposed during the county taxpayer's entire taxable year; multiplied by

(2) a fraction. The numerator of the fraction equals the number of days during the county taxpayer's taxable year during which the county economic development income tax was in effect. The denominator of the fraction equals three hundred sixty-five (365).

As added by P.L.380-1987(ss), SEC.6.

IC 6-3.5-7-8.1

Credit for taxes imposed by local governmental entites outside Indiana

Sec. 8.1. (a) This section applies to a taxable year beginning after December 31, 2014.

(b) Except as provided in subsection (c), if for a particular taxable year a county taxpayer is liable for an income tax imposed by a county, city, town, or other local governmental entity located outside Indiana, that county taxpayer is entitled to a credit against the county taxpayer's county economic development income tax liability for that same taxable year. The amount of the credit equals the amount of tax imposed by the other governmental entity on income derived from sources outside Indiana and subject to the county economic development income tax. However, the credit provided by this section may not reduce a county taxpayer's economic development income tax liability to an amount less than would have been owed if the income subject to taxation by the other governmental entity had been ignored.

(c) The credit provided by this section does not apply to a county taxpayer to the extent that the other governmental entity described in

subsection (b) provides for a credit to the taxpayer for the amount of county economic development income taxes owed under this chapter.

(d) To claim the credit provided by this section, a county taxpayer must provide the department with satisfactory evidence that the county taxpayer is entitled to the credit.

As added by P.L.190-2014, SEC.23.

IC 6-3.5-7-9

Credit for the elderly or persons with a total disability; computation

Sec. 9. (a) If for a taxable year a county taxpayer is (or a county taxpayer and a county taxpayer's spouse who file a joint return are) allowed a credit for the elderly or individuals with a total disability under Section 22 of the Internal Revenue Code, the county taxpayer is (or the county taxpayer and the county taxpayer's spouse are) entitled to a credit against the county taxpayer's (or the county taxpayer's and the county taxpayer's spouse's) county economic development income tax liability for that same taxable year. The amount of the credit equals the lesser of:

(1) the product of:

(A) the county taxpayer's (or the county taxpayer's and the county taxpayer's spouse's) credit for the elderly or individuals with a total disability for that same taxable year; multiplied by

(B) a fraction. The numerator of the fraction is the county economic development income tax rate imposed against the county taxpayer (or against the county taxpayer and the county taxpayer's spouse). The denominator of the fraction is fifteen-hundredths (0.15); or

(2) the amount of county economic development income tax imposed on the county taxpayer (or the county taxpayer and the county taxpayer's spouse).

(b) If a county taxpayer and the county taxpayer's spouse file a joint return and are subject to different county economic development income tax rates for the same taxable year, they shall compute the credit under this section by using the formula provided by subsection (a), except that they shall use the average of the two (2) county economic development income tax rates imposed against them as the numerator referred to in subsection (a)(1)(B).

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.63-1988, SEC.11; P.L.99-2007, SEC.29.

IC 6-3.5-7-10

County economic development income tax special account

Sec. 10. (a) A special account within the state general fund shall be established for each county adopting the county economic development income tax. Any revenue derived from the imposition of the county economic development income tax by a county shall be credited to that county's account in the state general fund.

(b) Any income earned on money credited to an account under

subsection (a) becomes a part of that account.

(c) Any revenue credited to an account established under subsection (a) at the end of a fiscal year may not be credited to any other account in the state general fund.

As added by P.L.380-1987(ss), SEC.6.

IC 6-3.5-7-10.5

Annual report to county auditor

Sec. 10.5. Before October 2 of each year, the department shall submit a report to each county auditor indicating the balance in the county's special account as of the cutoff date set by the budget agency.

As added by P.L.178-2002, SEC.69. Amended by P.L.267-2003, SEC.12.

IC 6-3.5-7-11

Calculation of certified distribution; summary of calculation; notice to county auditor; notice to taxing units

Sec. 11. (a) Revenue derived from the imposition of the county economic development income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it.

(b) Before August 2 of each calendar year, the budget agency shall provide to the county auditor of each adopting county an estimate of the amount determined under subsection (a) that will be distributed to the county, based on known tax rates. Not later than thirty (30) days after receiving the estimate of the certified distribution, the county auditor shall notify each taxing unit entitled to receive a distribution under this chapter of the estimated amount of the distribution and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. Before October 1 of each calendar year, the budget agency shall certify to the county auditor of each adopting county the sum of the amount of county economic development income tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending before the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted for refunds of county economic development income tax made in the state fiscal year plus the amount of interest in the county's account that has been accrued and has not been included in a certification made in a preceding year. The amount certified is the county's certified distribution, which shall be distributed on the dates specified in section 16 of this chapter for the following calendar year.

(c) The amount certified under subsection (b) shall be adjusted under subsections (d), (e), (f), and (g). Not later than thirty (30) days after receiving the notice of the amount of the certified distribution, the county auditor shall notify each taxing unit entitled to receive a distribution under this chapter of the amount of distribution and other

revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. The budget agency shall provide the county council with an informative summary of the calculations used to determine the certified distribution. The summary of calculations must include:

(1) the amount reported on individual income tax returns processed by the department during the previous fiscal year;

(2) adjustments for over distributions in prior years;

(3) adjustments for clerical or mathematical errors in prior years;

(4) adjustments for tax rate changes; and

(5) the amount of excess account balances to be distributed under IC 6-3.5-7-17.3.

(d) The budget agency shall certify an amount less than the amount determined under subsection (b) if the budget agency determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The budget agency may reduce the amount of the certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(e) The budget agency shall adjust the certified distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this section. The budget agency may reduce the amount of the certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(f) The budget agency shall adjust the certified distribution of a county to provide the county with the amount of any tax increase imposed under section 26 of this chapter to provide additional homestead credits as provided in those provisions.

(g) This subsection applies to a county that imposes, increases, decreases, or rescinds a tax or tax rate under this chapter before November 1 in the same calendar year in which the budget agency makes a certification under this section. The budget agency shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in subsection (b)(1) through (b)(2) in the manner provided in subsection (d). If the county imposes, increases, decreases, or rescinds a tax or tax rate under this chapter after the date for which a certification under subsection (b) is based, the budget agency shall adjust the certified distribution of the county after September 30 of the calendar year. The adjustment shall reflect any other adjustment authorized under subsections (c), (d), (e), and (f). The adjusted certification shall be treated as the county's certified distribution for the immediately succeeding calendar year. The budget agency shall certify the adjusted certified distribution to the county auditor for the county and provide the county council with an informative summary of the

calculations that revises the informative summary provided in subsection (c) and reflects the changes made in the adjustment.

(h) The budget agency shall before May 1 of every odd-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following two (2) calendar years.

(i) The budget agency shall before May 1 of every even-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following calendar year.

(j) The estimates under subsections (h) and (i) must specify the amount of the estimated certified distributions that are attributable to any additional rates authorized under this chapter.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.267-2003, SEC.13; P.L.207-2005, SEC.9; P.L.146-2008, SEC.345; P.L.1-2009, SEC.54; P.L.182-2009(ss), SEC.228; P.L.113-2010, SEC.67; P.L.229-2011, SEC.92; P.L.137-2012, SEC.97; P.L.261-2013, SEC.30.

IC 6-3.5-7-12

Certified distribution; amount; adoption of ordinance; exception; fractional amounts

Sec. 12. (a) Except as provided in sections 23, 26, 27, 27.5, 27.6, and 28 of this chapter, the county auditor shall distribute in the manner specified in this section the certified distribution to the county.

(b) Except as provided in subsections (c) and (h) and section 15 of this chapter, and subject to adjustment as provided in IC 36-8-19-7.5, the amount of the certified distribution that the county and each city or town in a county is entitled to receive each month of each year equals the product of the following:

(1) The amount of the certified distribution for that month; multiplied by

(2) A fraction. The numerator of the fraction equals the sum of:

(A) total property taxes that are first due and payable to the county, city, or town during the calendar year in which the month falls; plus

(B) for a county, the welfare allocation amount.

The denominator of the fraction equals the sum of the total property taxes that are first due and payable to the county and all cities and towns of the county during the calendar year in which the month falls, plus the welfare allocation amount. The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under this chapter in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, and children with

special health care needs county fund.

(c) This subsection applies to a county council or county income tax council that imposes a tax under this chapter after June 1, 1992. The body imposing the tax may adopt an ordinance before August 2 of a year to provide for the distribution of certified distributions under this subsection instead of a distribution under subsection (b). The following apply if an ordinance is adopted under this subsection:

(1) The ordinance is effective January 1 of the following year.

(2) Except as provided in section 26 of this chapter, the amount of the certified distribution that the county and each city and town in the county is entitled to receive during each month of each year equals the product of:

(A) the amount of the certified distribution for the month; multiplied by

(B) a fraction. For a city or town, the numerator of the fraction equals the population of the city or the town. For a county, the numerator of the fraction equals the population of the part of the county that is not located in a city or town. The denominator of the fraction equals the sum of the population of all cities and towns located in the county and the population of the part of the county that is not located in a city or town.

(3) The ordinance may be made irrevocable for the duration of specified lease rental or debt service payments.

(d) The body imposing the tax may not adopt an ordinance under subsection (c) if, before the adoption of the proposed ordinance, any of the following have pledged the county economic development income tax for any purpose permitted by IC 5-1-14 or any other statute:

(1) The county.

(2) A city or town in the county.

(3) A commission, a board, a department, or an authority that is authorized by statute to pledge the county economic development income tax.

(e) The department of local government finance shall provide each county auditor with the fractional amount of the certified distribution that the county and each city or town in the county is entitled to receive under this section.

(f) Money received by a county, city, or town under this section shall be deposited in the unit's economic development income tax fund.

(g) Except as provided in subsection (b)(2)(B), in determining the fractional amount of the certified distribution the county and its cities and towns are entitled to receive under subsection (b) during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property subject to assessment in that county.

(h) In a county having a consolidated city, only the consolidated city is entitled to the certified distribution, subject to the requirements of sections 15 and 26 of this chapter.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.47-1992, SEC.1; P.L.28-1993, SEC.9; P.L.99-1995, SEC.3; P.L.124-1999, SEC.1; P.L.273-1999, SEC.74; P.L.14-2000, SEC.18; P.L.283-2001, SEC.6; P.L.90-2002, SEC.298; P.L.120-2002, SEC.6; P.L.192-2002(ss), SEC.122; P.L.224-2003, SEC.255; P.L.255-2003, SEC.6; P.L.97-2004, SEC.32; P.L.232-2007, SEC.4; P.L.146-2008, SEC.346; P.L.182-2009(ss), SEC.229; P.L.77-2011, SEC.27; P.L.199-2011, SEC.2; P.L.137-2012, SEC.98.

IC 6-3.5-7-12.7
Transfers from economic development income tax funds

Sec. 12.7. (a) Subject to subsection (b), the executive of a county, by resolution or ordinance, or the executive of a city or town may at any time transfer to:

(1) its general fund; or

(2) any other fund of the county, city, or town that the executive serves;

money that has been deposited in the economic development income tax fund established by the county, city, or town under section 13.1 of this chapter. The executive shall adjust the unit's capital improvement plan adopted under section 15 of this chapter to reflect the transfer. After appropriation of the money by the fiscal body of the county, city, or town in a budget or supplemental budget (as required by law), the money transferred under this section may be used for the purposes of the fund to which the money is transferred.

(b) A unit may not transfer money under subsection (a) if the amount transferred would impair the unit's ability to satisfy any debts, liabilities, or obligations for which county economic development income taxes are pledged or otherwise encumbered, including transfers required by IC 36-7.5-4-2.

As added by P.L.53-2011, SEC.1. Amended by P.L.36-2013, SEC.1.

IC 6-3.5-7-13
Repealed

(Repealed by P.L.1-1990, SEC.80.)

IC 6-3.5-7-13.1
Economic development income tax funds; deposits; uses

Sec. 13.1. (a) The fiscal officer of each county, city, or town for a county in which the county economic development tax is imposed shall establish an economic development income tax fund. Except as provided in sections 23, 26, 27, 27.5, and 27.6 of this chapter, the revenue received by a county, city, or town under this chapter shall be deposited in the unit's economic development income tax fund.

(b) As used in this subsection, "homestead" means a homestead that is eligible for a standard deduction under IC 6-1.1-12-37. Except as provided in sections 15, 23, 26, 27, 27.5, and 27.6 of this chapter, revenues from the county economic development income tax may be used as follows:

(1) By a county, city, or town for economic development

projects, for paying, notwithstanding any other law, under a written agreement all or a part of the interest owed by a private developer or user on a loan extended by a financial institution or other lender to the developer or user if the proceeds of the loan are or are to be used to finance an economic development project, for the retirement of bonds under section 14 of this chapter for economic development projects, for leases under section 21 of this chapter, or for leases or bonds entered into or issued prior to the date the economic development income tax was imposed if the purpose of the lease or bonds would have qualified as a purpose under this chapter at the time the lease was entered into or the bonds were issued.

(2) By a county, city, or town for:

(A) the construction or acquisition of, or remedial action with respect to, a capital project for which the unit is empowered to issue general obligation bonds or establish a fund under any statute listed in IC 6-1.1-18.5-9.8;

(B) the retirement of bonds issued under any provision of Indiana law for a capital project;

(C) the payment of lease rentals under any statute for a capital project;

(D) contract payments to a nonprofit corporation whose primary corporate purpose is to assist government in planning and implementing economic development projects;

(E) operating expenses of a governmental entity that plans or implements economic development projects;

(F) to the extent not otherwise allowed under this chapter, funding substance removal or remedial action in a designated unit; or

(G) funding of a revolving fund established under IC 5-1-14-14.

(3) By a county, city, or town for any lawful purpose for which money in any of its other funds may be used.

(4) By a city or county described in IC 36-7.5-2-3(b) for making transfers required by IC 36-7.5-4-2. If the county economic development income tax rate is increased after April 30, 2005, in Porter County, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be used by the county or by eligible municipalities (as defined in IC 36-7.5-1-11.3) in the county only to make the county's transfer required by IC 36-7.5-4-2. The first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. If Porter County ceases to be a member of the northwest Indiana regional development authority under

IC 36-7.5 but two (2) or more municipalities in the county have become members of the northwest Indiana regional development authority as authorized by IC 36-7.5-2-3(i), the county treasurer shall continue to transfer the three million five hundred thousand dollars ($3,500,000) to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county. In Porter County, all of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under subdivision (5).

(5) This subdivision applies only in Porter County. All of the tax revenue that results each year from a tax rate increase described in subdivision (4) that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under this subdivision. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(6) This subdivision applies only in Lake County. The county or a city or town in the county may use county economic development income tax revenue to provide homestead credits in the county, city, or town. The following apply to homestead credits provided under this subdivision:

(A) The county, city, or town fiscal body must adopt an ordinance authorizing the homestead credits. The ordinance must specify the amount of county economic development income tax revenue that will be used to provide homestead credits in the following year.

(B) The county, city, or town fiscal body that adopts an ordinance under this subdivision must forward a copy of the ordinance to the county auditor and the department of local government finance not more than thirty (30) days after the

ordinance is adopted.

(C) The homestead credits must be applied uniformly to increase the homestead credit under IC 6-1.1-20.9 (repealed) for homesteads in the county, city, or town (for property taxes first due and payable before January 1, 2009) or to provide a homestead credit for homesteads in the county, city, or town (for property taxes first due and payable after December 31, 2008).

(D) The homestead credits shall be treated for all purposes as property tax levies.

(E) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(F) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(7) For a regional venture capital fund established under section 13.5 of this chapter or a local venture capital fund established under section 13.6 of this chapter.

(8) This subdivision applies only to LaPorte County, if:

(A) the county fiscal body has adopted an ordinance under IC 36-7.5-2-3(e) providing that the county is joining the northwest Indiana regional development authority; and

(B) the fiscal body of the city described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the city is joining the development authority.

Revenue from the county economic development income tax may be used by a county or a city described in this subdivision for making transfers required by IC 36-7.5-4-2. In addition, if the county economic development income tax rate is increased after June 30, 2006, in the county, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be used by the county only to make the county's transfer required by IC 36-7.5-4-2. The first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. All of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under

subdivision (9).

(9) This subdivision applies only to LaPorte County. All of the tax revenue that results each year from a tax rate increase described in subdivision (8) that is in excess of the first three million five hundred thousand dollars ($3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for homestead credits under this subdivision. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The department of local government finance shall determine the homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide homestead credits in that year.

(c) As used in this section, an economic development project is any project that:

(1) the county, city, or town determines will:

(A) promote significant opportunities for the gainful employment of its citizens;

(B) attract a major new business enterprise to the unit; or

(C) retain or expand a significant business enterprise within the unit; and

(2) involves an expenditure for:

(A) the acquisition of land;

(B) interests in land;

(C) site improvements;

(D) infrastructure improvements;

(E) buildings;

(F) structures;

(G) rehabilitation, renovation, and enlargement of buildings and structures;

(H) machinery;

(I) equipment;

(J) furnishings;

(K) facilities;

(L) administrative expenses associated with such a project, including contract payments authorized under subsection (b)(2)(D);

(M) operating expenses authorized under subsection (b)(2)(E); or

(N) to the extent not otherwise allowed under this chapter, substance removal or remedial action in a designated unit;

or any combination of these.

(d) If there are bonds outstanding that have been issued under section 14 of this chapter or leases in effect under section 21 of this chapter, the county or a city or town may not expend money from its economic development income tax fund for a purpose authorized under subsection (b)(3) in a manner that would adversely affect owners of the outstanding bonds or payment of any lease rentals due.

As added by P.L.1-1990, SEC.81. Amended by P.L.17-1991, SEC.9; P.L.44-1994, SEC.8; P.L.27-1995, SEC.6; P.L.124-1999, SEC.2; P.L.192-2002(ss), SEC.123; P.L.224-2003, SEC.256; P.L.118-2005, SEC.2; P.L.214-2005, SEC.21; P.L.47-2006, SEC.4; P.L.1-2006, SEC.145; P.L.137-2006, SEC.11; P.L.1-2007, SEC.66; P.L.146-2008, SEC.347; P.L.182-2009(ss), SEC.227; P.L.77-2011, SEC.28; P.L.199-2011, SEC.3; P.L.119-2012, SEC.49; P.L.137-2012, SEC.99.

IC 6-3.5-7-13.5

Regional venture capital funds

Sec. 13.5. (a) The general assembly finds that counties and municipalities in Indiana have a need to foster economic development, the development of new technology, and industrial and commercial growth. The general assembly finds that it is necessary and proper to provide an alternative method for counties and municipalities to foster the following:

(1) Economic development.

(2) The development of new technology.

(3) Industrial and commercial growth.

(4) Employment opportunities.

(5) The diversification of industry and commerce.

The fostering of economic development and the development of new technology under this section or section 13.6 of this chapter for the benefit of the general public, including industrial and commercial enterprises, is a public purpose.

(b) The fiscal bodies of two (2) or more counties or municipalities may, by resolution, do the following:

(1) Determine that part or all the taxes received by the units under this chapter should be combined to foster:

(A) economic development;

(B) the development of new technology; and

(C) industrial and commercial growth.

(2) Establish a regional venture capital fund.

(c) Each unit participating in a regional venture capital fund established under subsection (b) may deposit the following in the fund:

(1) Taxes distributed to the unit under this chapter.

(2) The proceeds of public or private grants.

(d) A regional venture capital fund shall be administered by a governing board. The expenses of administering the fund shall be

paid from money in the fund. The governing board shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited into the fund. The fund is subject to an annual audit by the state board of accounts. The fund shall bear the full costs of the audit.

(e) The fiscal body of each participating unit shall approve an interlocal agreement created under IC 36-1-7 establishing the terms for the administration of the regional venture capital fund. The terms must include the following:

(1) The membership of the governing board.

(2) The amount of each unit's contribution to the fund.

(3) The procedures and criteria under which the governing board may loan or grant money from the fund.

(4) The procedures for the dissolution of the fund and for the distribution of money remaining in the fund at the time of the dissolution.

(f) An interlocal agreement made by the participating units under subsection (e) must provide that:

(1) each of the participating units is represented by at least one (1) member of the governing board; and

(2) the membership of the governing board is established on a bipartisan basis so that the number of the members of the governing board who are members of one (1) political party may not exceed the number of members of the governing board required to establish a quorum.

(g) A majority of the governing board constitutes a quorum, and the concurrence of a majority of the governing board is necessary to authorize any action.

(h) An interlocal agreement made by the participating units under subsection (e) must be submitted to the Indiana economic development corporation for approval before the participating units may contribute to the fund.

(i) A majority of members of a governing board of a regional venture capital fund established under this section must have at least five (5) years of experience in business, finance, or venture capital.

(j) The governing board of the fund may loan or grant money from the fund to a private or public entity if the governing board finds that the loan or grant will be used by the borrower or grantee for at least one (1) of the following economic development purposes:

(1) To promote significant employment opportunities for the residents of the units participating in the regional venture capital fund.

(2) To attract a major new business enterprise to a participating unit.

(3) To develop, retain, or expand a significant business enterprise in a participating unit.

(k) The expenditures of a borrower or grantee of money from a regional venture capital fund that are considered to be for an economic development purpose include expenditures for any of the

following:

(1) Research and development of technology.

(2) Job training and education.

(3) Acquisition of property interests.

(4) Infrastructure improvements.

(5) New buildings or structures.

(6) Rehabilitation, renovation, or enlargement of buildings or structures.

(7) Machinery, equipment, and furnishings.

(8) Funding small business development with respect to:

(A) prototype products or processes;

(B) marketing studies to determine the feasibility of new products or processes; or

(C) business plans for the development and production of new products or processes.

As added by P.L.137-2006, SEC.12.

IC 6-3.5-7-13.6

Local venture capital funds

Sec. 13.6. (a) The fiscal body of a county or municipality may, by resolution, establish a local venture capital fund.

(b) A unit establishing a local venture capital fund under subsection (a) may deposit the following in the fund:

(1) Taxes distributed to the unit under this chapter.

(2) The proceeds of public or private grants.

(c) A local venture capital fund shall be administered by a governing board. The expenses of administering the fund shall be paid from money in the fund. The governing board shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited into the fund. The fund is subject to an annual audit by the state board of accounts. The fund shall bear the full costs of the audit.

(d) The fiscal body of a unit establishing a local venture capital fund under subsection (a) shall establish the terms for the administration of the local venture capital fund. The terms must include the following:

(1) The membership of the governing board.

(2) The amount of the unit's contribution to the fund.

(3) The procedures and criteria under which the governing board may loan or grant money from the fund.

(4) The procedures for the dissolution of the fund and for the distribution of money remaining in the fund at the time of the dissolution.

(e) A unit establishing a local venture capital fund under subsection (a) must be represented by at least one (1) member of the governing board.

(f) The membership of the governing board must be established on a bipartisan basis so that the number of the members of the governing board who are members of one (1) political party may not exceed the

number of members of the governing board required to establish a quorum.

(g) A majority of the governing board constitutes a quorum, and the concurrence of a majority of the governing board is necessary to authorize any action.

(h) The terms established under subsection (d) for the administration of the local venture capital fund must be submitted to the Indiana economic development corporation for approval before a unit may contribute to the fund.

(i) A majority of members of a governing board of a local venture capital fund established under this section must have at least five (5) years of experience in business, finance, or venture capital.

(j) The governing board of the fund may loan or grant money from the fund to a private or public entity if the governing board finds that the loan or grant will be used by the borrower or grantee for at least one (1) of the following economic development purposes:

(1) To promote significant employment opportunities for the residents of the unit establishing the local venture capital fund.

(2) To attract a major new business enterprise to the unit.

(3) To develop, retain, or expand a significant business enterprise in the unit.

(k) The expenditures of a borrower or grantee of money from a local venture capital fund that are considered to be for an economic development purpose include expenditures for any of the following:

(1) Research and development of technology.

(2) Job training and education.

(3) Acquisition of property interests.

(4) Infrastructure improvements.

(5) New buildings or structures.

(6) Rehabilitation, renovation, or enlargement of buildings or structures.

(7) Machinery, equipment, and furnishings.

(8) Funding small business development with respect to:

(A) prototype products or processes;

(B) marketing studies to determine the feasibility of new products or processes; or

(C) business plans for the development and production of new products or processes.

As added by P.L.137-2006, SEC.13.

IC 6-3.5-7-14

Bonds; debt service requirements; sale; covenant protecting bondholders

Sec. 14. (a) The fiscal body of a county, city, or town may issue bonds payable from the county economic development income tax. The bonds must be for economic development projects (as defined in section 13.1 of this chapter).

(b) The fiscal body of a county, city, or town may issue bonds payable from the county economic development income tax for any capital project for which the fiscal body is authorized to issue general

obligation bonds. The bonds issued under this section may be payable from the county economic development income tax if the county option income tax or the county adjusted gross income tax is also in effect in the county at the time the bonds are issued.

(c) If there are bonds outstanding that have been issued under this section, or leases in effect under section 21 of this chapter, the body that imposed the county economic development income tax may not reduce the county economic development income tax rate below a rate that would produce one and twenty-five hundredths (1.25) times the total of the highest annual debt service on the bonds to their final maturity, plus the highest annual lease payments, unless:

(1) the body that imposed the economic development income tax; or

(2) any city, town, or county;

pledges all or a portion of its distributive share for the life of the bonds or the term of the lease, in an amount that is sufficient, when combined with the amount pledged by the city, town, or county that issued the bonds, to produce one and twenty-five hundredths (1.25) times the total of the highest annual debt service plus the highest annual lease payments.

(d) For purposes of subsection (c), the determination of a tax rate sufficient to produce one and twenty-five hundredths (1.25) times the total of the highest annual debt service plus the highest annual lease payments shall be based on an average of the immediately preceding three (3) years tax collections, if the tax has been imposed for the last preceding three (3) years. If the tax has not been imposed for the last preceding three (3) years, the body that imposed the tax may not reduce the rate below a rate that would produce one and twenty-five hundredths (1.25) times the total of the highest annual debt service, plus the highest annual lease payments, based upon a study by a qualified public accountant or financial advisor.

(e) IC 6-1.1-20 does not apply to the issuance of bonds under this section.

(f) Bonds issued under this section may be sold at a public sale in accordance with IC 5-1-11 or may be sold at a negotiated sale.

(g) After a sale of bonds under this section, the county auditor shall prepare a debt service schedule for the bonds.

(h) The general assembly covenants that it will not repeal or amend this chapter in a manner that would adversely affect owners of outstanding bonds issued, or payment of any lease rentals due, under this section.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.2-1989, SEC.19; P.L.1-1990, SEC.82; P.L.19-1994, SEC.11.

IC 6-3.5-7-15

Capital improvement plan; retention of certified distribution pending adoption of plan; components of plan

Sec. 15. (a) The executive of a county, city, or town may, subject to the use of the certified distribution permitted under section 26 of this chapter:

(1) adopt a capital improvement plan specifying the uses of the revenues to be received under this chapter; or

(2) designate the county or a city or town in the county as the recipient of all or a part of its share of the distribution.

(b) If a designation is made under subsection (a)(2), the county treasurer shall transfer the share or part of the share to the designated unit unless that unit does not have a capital improvement plan.

(c) A county, city, or town that fails to adopt a capital improvement plan may not receive:

(1) its fractional amount of the certified distribution; or

(2) any amount designated under subsection (a)(2);

for the year or years in which the unit does not have a plan. The county treasurer shall retain the certified distribution and any designated distribution for such a unit in a separate account until the unit adopts a plan. Interest on the separate account becomes part of the account. If a unit fails to adopt a plan for a period of three (3) years, then the balance in the separate account shall be distributed to the other units in the county based on property taxes first due and payable to the units during the calendar year in which the three (3) year period expires.

(d) A capital improvement plan must include the following components:

(1) Identification and general description of each project that would be funded by the county economic development income tax.

(2) The estimated total cost of the project.

(3) Identification of all sources of funds expected to be used for each project.

(4) The planning, development, and construction schedule of each project.

(e) A capital improvement plan:

(1) must encompass a period of no less than two (2) years; and

(2) must incorporate projects the cost of which is at least seventy-five percent (75%) of the fractional amount certified distribution expected to be received by the county, city, or town in that period of time.

(f) In making a designation under subsection (a)(2), the executive must specify the purpose and duration of the designation. If the designation is made to provide for the payment of lease rentals or bond payments, the executive may specify that the designation and its duration are irrevocable.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.22-1988, SEC.8; P.L.17-1991, SEC.10; P.L.192-2002(ss), SEC.124; P.L.1-2003, SEC.45; P.L.137-2012, SEC.100.

IC 6-3.5-7-16

Certified distribution dates; distribution by warrant

Sec. 16. (a) One-twelfth (1/12) of each county's certified distribution for a calendar year shall be distributed from its account established under section 10 of this chapter to the appropriate county

treasurer on the first regular business day of each month of that calendar year.

(b) All distributions from an account established under section 10 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.157-2002, SEC.3; P.L.192-2002(ss), SEC.125; P.L.77-2011, SEC.29; P.L.119-2012, SEC.50; P.L.137-2012, SEC.101.

IC 6-3.5-7-16.5

Timing of income tax distributions within the county

Sec. 16.5. (a) The county auditor shall timely distribute the certified distribution received under section 12 of this chapter to each city and town that is a recipient of a certified distribution.

(b) A distribution is considered to be timely made if the distribution is made not later than ten (10) working days after the date the county treasurer receives the county's certified distribution under section 12 of this chapter.

As added by P.L.26-2009, SEC.3.

IC 6-3.5-7-17

Residence or principal place of business; determination

Sec. 17. (a) For purposes of this chapter, an individual shall be treated as a resident of the county in which the individual:

(1) maintains a home if the individual maintains only one (1) home in Indiana;

(2) if subdivision (1) does not apply, is registered to vote;

(3) if subdivision (1) or (2) does not apply, registers the individual's personal automobile; or

(4) if subdivision (1), (2), or (3) does not apply, spends the majority of the individual's time in Indiana during the taxable year in question.

(b) The residence or principal place of business or employment of an individual is to be determined on January 1 of the calendar year in which the individual's taxable year commences. If an individual changes location of residence or principal place of employment or business to another county in Indiana during a calendar year, the individual's liability for county economic development income tax is not affected.

(c) Notwithstanding subsection (b), if an individual becomes a county taxpayer for purposes of IC 36-7-27 during a calendar year because the individual:

(1) changes the location of the individual's residence to a county in which the individual begins employment or business at a qualified economic development tax project (as defined in IC 36-7-27-9); or

(2) changes the location of the individual's principal place of employment or business to a qualified economic development tax project and does not reside in another county in which the county economic development income tax is in effect;

the individual's adjusted gross income attributable to employment or business at the qualified economic development tax project is taxable only by the county containing the qualified economic development tax project.
As added by P.L.380-1987(ss), SEC.6. Amended by P.L.44-1994, SEC.9.

IC 6-3.5-7-17.3
Distribution of excess balance; use

Sec. 17.3. (a) If the budget agency determines that the balance in a county trust account exceeds fifty percent (50%) of the certified distributions to be made to the county in the ensuing year, the budget agency shall make a supplemental distribution to the county from the county's special account.

(b) A supplemental distribution described in subsection (a) must be:

(1) made in January of the ensuing calendar year; and

(2) allocated in the same manner as certified distributions for deposit in a civil unit's rainy day fund established under IC 36-1-8-5.1. However, the part of a supplemental distribution that is attributable to an additional rate authorized under this chapter:

(A) shall be used for the purpose specified in the statute authorizing the additional rate; and

(B) is not required to be deposited in the unit's rainy day fund.

The amount of the supplemental distribution is equal to the amount by which the balance in the county trust account exceeds fifty percent (50%) of the certified distributions to be made to the county in the ensuing year.

(c) A determination under this section must be made before October 2.

(d) Any income earned on money held in a trust account established for a county under this chapter shall be deposited in that trust account.
As added by P.L.178-2002, SEC.70. Amended by P.L.267-2003, SEC.14; P.L.182-2009(ss), SEC.230; P.L.229-2011, SEC.93; P.L.261-2013, SEC.31.

IC 6-3.5-7-18
Application of adjusted gross income tax law and other statutory provisions; withholdings report

Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;

(2) declarations of estimated tax;

(3) filing of returns;

(4) remittances;

(5) incorporation of the provisions of the Internal Revenue Code;

(6) penalties and interest;
(7) exclusion of military pay credits for withholding; and
(8) exemptions and deductions;

apply to the imposition, collection, and administration of the tax imposed by this chapter.

(b) The provisions of IC 6-3-1-3.5(a)(6), IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed by this chapter.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department the amount of withholdings attributable to each county. This report shall be submitted to the department:

(1) each time the employer remits to the department the tax that is withheld; and
(2) annually along with the employer's annual withholding report.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.57-1997, SEC.6; P.L.146-2008, SEC.348.

IC 6-3.5-7-19
Repealed

(Repealed by P.L.267-2003, SEC.16.)

IC 6-3.5-7-20
Listed tax and income tax status for tax administration purposes

Sec. 20. The economic development income tax is a listed tax and an income tax for the purposes of IC 6-8.1.

As added by P.L.380-1987(ss), SEC.6.

IC 6-3.5-7-21
Leases; terms; public hearing; approval; execution; notice; action contesting validity; purchase of leased facility

Sec. 21. (a) A unit may enter into a lease with a leasing body (as defined in IC 5-1-1-1) of any property that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed fifty (50) years, and the lease may provide for payments from revenues under this chapter, any other revenue available to the unit, or any combination of these sources.

(b) A lease may provide that payments by the unit to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the executive of the unit only after a public hearing at which all interested parties are provided the opportunity to be heard. After the public hearing, the executive may approve the execution of the lease on behalf of the unit if the executive finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by the executive must also be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the unit in whole or in part from taxes under this chapter and upon approval of the lease by the unit's fiscal body, the executive of the unit shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1.

(e) Except as provided in this section, no approvals of any governmental body or agency are required before the unit enters into a lease under this section.

(f) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease.

(g) If a unit exercises an option to buy a leased facility from a lessor, the unit may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the executive of the unit through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the unit shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.

As added by P.L.380-1987(ss), SEC.6. Amended by P.L.28-1993, SEC.10; P.L.99-1995, SEC.4.

IC 6-3.5-7-22
Repealed

(Repealed by P.L.137-2012, SEC.102.)

IC 6-3.5-7-22.5
Randolph County; additional rate for hospital, county courthouse, and volunteer fire department

Sec. 22.5. (a) This section applies to Randolph County.

(b) In addition to the rates permitted by section 5 of this chapter, the county council may impose the county economic development income tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (c).

(c) In order to impose the county economic development income tax as provided in this section, the county council must adopt an ordinance finding and determining that revenues from the county economic development income tax are needed to pay the costs of:

(1) financing, constructing, acquiring, renovating, and equipping the county courthouse, and financing and renovating the former county hospital for additional office space, educational facilities, nonsecure juvenile facilities, and other county functions, including the repayment of bonds issued, or leases entered into for constructing, acquiring, renovating, and equipping the county courthouse and for renovating the former county hospital for additional office space, educational

facilities, nonsecure juvenile facilities, and other county functions;

(2) financing constructing, acquiring, renovating, and equipping buildings for a volunteer fire department (as defined in IC 36-8-12-2) that provides services in any part of the county; and

(3) financing constructing, acquiring, and renovating firefighting apparatus or other related equipment for a volunteer fire department (as defined in IC 36-8-12-2) that provides services in any part of the county.

(d) If the county council makes a determination under subsection (c), the county council may adopt a tax rate under subsection (b). The tax rate may not be imposed at a rate or for a time greater than is necessary to pay for the purposes described in this section.

(e) The county treasurer shall establish a county option tax revenue fund to be used only for the purposes described in this section. County economic development income tax revenues derived from the tax rate imposed under this section shall be deposited in the county option tax revenue fund before making a certified distribution under section 11 of this chapter.

(f) County economic development income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued, or leases entered into, for the purposes described in subsection (c).

(g) Randolph County possesses:

(1) unique fiscal challenges to finance the operations of county government due to the county's ongoing obligation to repay amounts received by the county due to an overpayment of the county's certified distribution under IC 6-3.5-1.1-9 for a prior year; and

(2) unique capital financing needs related to the purposes described in subsection (c).

As added by P.L.185-2001, SEC.4; P.L.291-2001, SEC.180 and P.L.291-2001, SEC.198. Amended by P.L.90-2002, SEC.299; P.L.224-2003, SEC.258; P.L.90-2004, SEC.3; P.L.119-2012, SEC.51.

IC 6-3.5-7-23

Hancock County; library property taxes; replacement credits

Sec. 23. (a) This section applies only to Hancock County.

(b) The county council may by ordinance determine that, in order to promote the development of libraries in the county and thereby encourage economic development, it is necessary to use economic development income tax revenue to replace library property taxes in the county. However, a county council may adopt an ordinance under this subsection only if all territory in the county is included in a

library district.

(c) If the county council makes a determination under subsection (b), the county council may designate the county economic development income tax revenue generated by the tax rate adopted under section 5 of this chapter, or revenue generated by a portion of the tax rate, as revenue that will be used to replace public library property taxes imposed by public libraries in the county. The county council may not designate for library property tax replacement purposes any county economic development income tax revenue that is generated by a tax rate of more than fifteen-hundredths percent (0.15%).

(d) The county treasurer shall establish a library property tax replacement fund to be used only for the purposes described in this section. County economic development income tax revenues derived from the portion of the tax rate designated for property tax replacement credits under subsection (c) shall be deposited in the library property tax replacement fund before certified distributions are made under section 12 of this chapter. Any interest earned on money in the library property tax replacement fund shall be credited to the library property tax replacement fund.

(e) The amount of county economic development income tax revenue dedicated to providing library property tax replacement credits shall, in the manner prescribed in this section, be allocated to public libraries operating in the county and shall be used by those public libraries as property tax replacement credits. The amount of property tax replacement credits that each public library in the county is entitled to receive during a calendar year under this section equals the lesser of:

(1) the product of:

(A) the amount of revenue deposited by the county auditor in the library property tax replacement fund; multiplied by

(B) a fraction described as follows:

(i) The numerator of the fraction equals the sum of the total property taxes that would have been collected by the public library during the previous calendar year from taxpayers located within the library district if the property tax replacement under this section had not been in effect.

(ii) The denominator of the fraction equals the sum of the total property taxes that would have been collected during the previous year from taxpayers located within the county by all public libraries that are eligible to receive property tax replacement credits under this section if the property tax replacement under this section had not been in effect; or

(2) the total property taxes that would otherwise be collected by the public library for the calendar year if the property tax replacement credit under this section were not in effect.

The department of local government finance shall make any adjustments necessary to account for the expansion of a library district. However, a public library is eligible to receive property tax

replacement credits under this section only if it has entered into reciprocal borrowing agreements with all other public libraries in the county. If the total amount of county economic development income tax revenue deposited by the county auditor in the library property tax replacement fund for a calendar year exceeds the total property tax liability that would otherwise be imposed for public libraries in the county for the year, the excess shall remain in the library property tax replacement fund and shall be used for library property tax replacement purposes in the following calendar year.

(f) Notwithstanding subsection (e), if a public library did not impose a property tax levy during the previous calendar year, that public library is entitled to receive a part of the property tax replacement credits to be distributed for the calendar year. The amount of property tax replacement credits the public library is entitled to receive during the calendar year equals the product of:

(1) the amount of revenue deposited in the library property tax replacement fund; multiplied by

(2) a fraction. The numerator of the fraction equals the budget of the public library for that calendar year. The denominator of the fraction equals the aggregate budgets of public libraries in the county for that calendar year.

If for a calendar year a public library is allocated a part of the property tax replacement credits under this subsection, then the amount of property tax credits distributed to other public libraries in the county for the calendar year shall be reduced by the amount to be distributed as property tax replacement credits under this subsection. The department of local government finance shall make any adjustments required by this subsection and provide the adjustments to the county auditor.

(g) The department of local government finance shall inform the county auditor of the amount of property tax replacement credits that each public library in the county is entitled to receive under this section. The county auditor shall certify to each public library the amount of property tax replacement credits that the public library is entitled to receive during that calendar year. The county auditor shall also certify these amounts to the county treasurer.

(h) A public library receiving property tax replacement credits under this section shall allocate the credits among each fund for which a distinct property tax levy is imposed. The amount that must be allocated to each fund equals:

(1) the amount of property tax replacement credits provided to the public library under this section; multiplied by

(2) the amount determined in STEP THREE of the following formula:

STEP ONE: Determine the property taxes that would have been collected for each fund by the public library during the previous calendar year if the property tax replacement under this section had not been in effect.

STEP TWO: Determine the sum of the total property taxes that would have been collected for all funds by the public

library during the previous calendar year if the property tax replacement under this section had not been in effect.

STEP THREE: Divide the STEP ONE amount by the STEP TWO amount.

However, if a public library did not impose a property tax levy during the previous calendar year or did not impose a property tax levy for a particular fund during the previous calendar year, but the public library is imposing a property tax levy in the current calendar year or is imposing a property tax levy for the particular fund in the current calendar year, the department of local government finance shall adjust the amount of property tax replacement credits allocated among the various funds of the public library and shall provide the adjustment to the county auditor. If a public library receiving property tax replacement credits under this section does not impose a property tax levy for a particular fund that is first due and payable in a calendar year in which the property tax replacement credits are being distributed, the public library is not required to allocate to that fund a part of the property tax replacement credits to be distributed to the public library. Notwithstanding IC 6-1.1-20-1.1(1), a public library that receives property tax replacement credits under this section is subject to the procedures for the issuance of bonds set forth in IC 6-1.1-20.

(i) For each public library that receives property tax credits under this section, the department of local government finance shall certify to the county auditor the property tax rate applicable to each fund after the property tax replacement credits are allocated.

(j) A public library shall treat property tax replacement credits received during a particular calendar year under this section as a part of the public library's property tax levy for each fund for that same calendar year for purposes of fixing the public library's budget and for purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

(k) For the purpose of computing and distributing certified distributions under IC 6-3.5-1.1 and tax revenue under IC 6-5.5 or IC 6-6-5, the property tax replacement credits that are received under this section shall be treated as though they were property taxes that were due and payable during that same calendar year.

As added by P.L.124-1999, SEC.3. Amended by P.L.90-2002, SEC.300; P.L.87-2002, SEC.1; P.L.192-2002(ss), SEC.126; P.L.146-2008, SEC.349; P.L.119-2012, SEC.52.

IC 6-3.5-7-24

Knox County; additional rate for county jail facilities; fund; use of additional revenue

Sec. 24. (a) This section applies to Knox County.

(b) In addition to the rates permitted by section 5 of this chapter, the county council may impose the county economic development income tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (c).

(c) In order to impose the county economic development income

tax as provided in this section, the county council must adopt an ordinance finding and determining that revenues from the county economic development income tax are needed to pay the costs of financing, constructing, acquiring, renovating, and equipping a county jail including the repayment of bonds issued, or leases entered into, for constructing, acquiring, renovating, and equipping a county jail.

(d) If the county council makes a determination under subsection (c), the county council may adopt a tax rate under subsection (b). The tax rate may not be imposed at a rate or for a time greater than is necessary to pay the costs of financing, constructing, acquiring, renovating, and equipping a county jail.

(e) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County economic development income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(f) County economic development income tax revenues derived from the tax rate imposed under this section:

(1) may only be used for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued, or leases entered into, for the purposes described in subsection (c).

As added by P.L.178-2002, SEC.71. Amended by P.L.119-2012, SEC.53.

IC 6-3.5-7-25
Repealed

(Repealed by P.L.137-2012, SEC.103.)

IC 6-3.5-7-25.5
Repealed

(Repealed by P.L.137-2012, SEC.104.)

IC 6-3.5-7-26
Additional tax rate to mitigate effect of inventory deduction; additional rate for public transportation

Sec. 26. (a) This section applies only to the following:

(1) Taxes imposed under this chapter to provide homestead and property tax replacement credits for property taxes first due and payable after calendar year 2006.

(2) Taxes imposed under this chapter to fund a public transportation project under subsection (m).

(b) The following definitions apply throughout this section:

(1) "Adopt" includes amend.

(2) "Adopting entity" means:

(A) the entity that adopts an ordinance under

IC 6-1.1-12-41(f); or

(B) any other entity that may impose a county economic development income tax under section 5 of this chapter.

(3) "Homestead" refers to tangible property that is eligible for a homestead credit under IC 6-1.1-20.9 (repealed) or the standard deduction under IC 6-1.1-12-37.

(4) "Residential" refers to the following:

(A) Real property, a mobile home, and industrialized housing that would qualify as a homestead if the taxpayer had filed for a homestead credit under IC 6-1.1-20.9 (repealed) or the standard deduction under IC 6-1.1-12-37.

(B) Real property not described in clause (A) designed to provide units that are regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more, regardless of whether the tangible property is subject to assessment under rules of the department of local government finance that apply to:

(i) residential property; or

(ii) commercial property.

(c) This subsection does not apply to a county in which the county fiscal body adopts an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25. An adopting entity may adopt an ordinance to provide for the use of the certified distribution described in section 16 of this chapter for the purpose provided in subsection (e). An adopting entity that adopts an ordinance under this subsection shall use the procedures set forth in IC 6-3.5-6 concerning the adoption of an ordinance for the imposition of the county option income tax. The ordinance may provide for an additional rate under section 5(o) of this chapter. An ordinance adopted under this subsection:

(1) first applies to the certified distribution described in section 16 of this chapter made in the later of the calendar year that immediately succeeds the calendar year in which the ordinance is adopted or calendar year 2007; and

(2) must specify that the certified distribution must be used to provide for one (1) of the following, as determined by the adopting entity:

(A) Uniformly applied homestead credits as provided in subsection (f).

(B) Uniformly applied residential credits as provided in subsection (g).

(C) Allocated homestead credits as provided in subsection (i).

(D) Allocated residential credits as provided in subsection (j).

An ordinance adopted under this subsection may be combined with an ordinance adopted under section 25 of this chapter (before its repeal).

(d) If an ordinance is adopted under subsection (c), the percentage

of the certified distribution specified in the ordinance for use for the purpose provided in subsection (e) shall be:

(1) retained by the county auditor under subsection (k); and

(2) used for the purpose provided in subsection (e) instead of the purposes specified in the capital improvement plans adopted under section 15 of this chapter.

(e) If an ordinance is adopted under subsection (c), the adopting entity shall use the certified distribution described in section 16 of this chapter to provide:

(1) if the ordinance grants a credit described in subsection (c)(2)(A) or (c)(2)(C), a homestead credit for homesteads; or

(2) if the ordinance grants a credit described in subsection (c)(2)(B) or (c)(2)(D), a property tax replacement credit for residential property;

for property taxes to offset the effect on homesteads or residential property, as applicable, in the county resulting from the statewide deduction for inventory under IC 6-1.1-12-42 or from the exclusion in 2008 of inventory from the definition of personal property in IC 6-1.1-1-11. The amount of a residential property tax replacement credit granted under this section may not be considered in computing the amount of any homestead credit to which the residential property may be entitled under IC 6-1.1-20.9 (before its repeal) or another law other than IC 6-1.1-20.6.

(f) If the imposing entity specifies the application of uniform homestead credits under subsection (c)(2)(A), the county auditor shall, for each calendar year in which a homestead credit percentage is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide a homestead credit percentage under this section for the year;

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of homestead credit under this section that equates to the amount of homestead credits determined under subdivision (2).

(g) If the imposing entity specifies the application of uniform residential credits under subsection (c)(2)(B), the county auditor shall determine for each calendar year in which a homestead credit percentage is authorized under this section:

(1) the amount of the certified distribution that is available to provide a residential property tax replacement credit percentage for the year;

(2) the amount of uniformly applied residential property tax replacement credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of residential property tax replacement credit under this section that equates to the amount of residential property tax replacement credits determined under subdivision (2).

(h) The percentage of homestead credit determined by the county auditor under subsection (f) or the percentage of residential property tax replacement credit determined by the county auditor under subsection (g) applies uniformly in the county in the calendar year for which the percentage is determined.

(i) If the imposing entity specifies the application of allocated homestead credits under subsection (c)(2)(C), the county auditor shall, for each calendar year in which a homestead credit is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide a homestead credit under this section for the year; and

(2) except as provided in subsection (l), a percentage of homestead credit for each taxing district in the county that allocates to the taxing district an amount of homestead credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the assessment date in 2006 bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the assessment date in 2006.

(j) If the imposing entity specifies the application of allocated residential property tax replacement credits under subsection (c)(2)(D), the county auditor shall determine for each calendar year in which a residential property tax replacement credit is authorized under this section:

(1) the amount of the certified distribution that is available to provide a residential property tax replacement credit under this section for the year; and

(2) except as provided in subsection (l), a percentage of residential property tax replacement credit for each taxing district in the county that allocates to the taxing district an amount of residential property tax replacement credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the assessment date in 2006 bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the assessment date in 2006.

(k) This subsection does not apply to a county in which the county fiscal body adopts an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25. The county auditor shall retain from the payments of the county's certified distribution an amount equal to the revenue lost, if any, due to the homestead credit or residential property tax replacement credit provided under this section within the county. The money shall be distributed to the civil taxing units and school corporations of the county:

(1) as if the money were from property tax collections; and

(2) in such a manner that no civil taxing unit or school corporation will suffer a net revenue loss because of the allowance of a homestead credit or residential property tax

replacement credit under this section.

(l) This subsection does not apply to a county in which the county fiscal body adopts an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25. Subject to the approval of the imposing entity, the county auditor may adjust the increased percentage of:

(1) homestead credit determined under subsection (i)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the homesteads in the county; or

(2) residential property tax replacement credit determined under subsection (j)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the residential property in the county.

(m) This section applies to Hamilton County and Marion County. If the voters of a county approve a local public question under IC 8-25-2, the fiscal body of the county may adopt an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not more than twenty-five hundredths percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate specified in the ordinance and authorized by section 5(o) of this chapter to fund a public transportation project under IC 8-25 must be:

(1) retained by the county auditor;

(2) deposited in the public transportation project fund established under IC 8-25-3-7; and

(3) used for the purpose provided in this subsection instead of the purposes specified in the capital improvement plan adopted under section 15 of this chapter.

As added by P.L.192-2002(ss), SEC.128. Amended by P.L.1-2003, SEC.46; P.L.272-2003, SEC.6; P.L.97-2004, SEC.33; P.L.199-2005, SEC.26; P.L.162-2006, SEC.34; P.L.224-2007, SEC.91; P.L.146-2008, SEC.350; P.L.77-2011, SEC.30; P.L.137-2012, SEC.105; P.L.153-2014, SEC.14.

IC 6-3.5-7-27

Additional tax rate to finance courthouse; county facilities revenue fund; nonreverting fund for operating costs

Sec. 27. (a) This section applies to a county that:

(1) operates a courthouse that is subject to an order that:

(A) is issued by a federal district court;

(B) applies to an action commenced before January 1, 2003; and

(C) requires the county to comply with the federal Americans with Disabilities Act; and

(2) has insufficient revenues to finance the construction, acquisition, improvement, renovation, equipping, and operation of the courthouse facilities and related facilities.

(b) A county described in this section possesses unique fiscal challenges in financing, renovating, equipping, and operating the county courthouse facilities and related facilities because the county consistently has one (1) of the highest unemployment rates in Indiana. Maintaining low property tax rates is essential to economic development in the county. The use of economic development income tax revenues under this section for the purposes described in subsection (c) promotes that purpose.

(c) In addition to actions authorized by section 5 of this chapter, a county council may, using the procedures set forth in this chapter, adopt an ordinance to impose an additional county economic development income tax on the adjusted gross income of county taxpayers. The ordinance imposing the additional tax must include a finding that revenues from additional tax are needed to pay the costs of:

(1) constructing, acquiring, improving, renovating, equipping, or operating the county courthouse or related facilities;

(2) repaying any bonds issued, or leases entered into, for constructing, acquiring, improving, renovating, equipping, or operating the county courthouse or related facilities; and

(3) economic development projects described in the county's capital improvement plan.

(d) The tax rate imposed under this section may not exceed twenty-five hundredths percent (0.25%).

(e) If the county council adopts an ordinance to impose an additional tax under this section, the county auditor shall, not more than ten (10) days after the vote, send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency. The county treasurer shall establish a county facilities revenue fund to be used only for the purposes described in subsection (c)(1) and (c)(2). The amount of county economic development income tax revenues derived from the tax rate imposed under this section that are necessary to pay the costs described in subsection (c)(1) and (c)(2) shall be deposited into the county facilities revenue fund before a certified distribution is made under section 12 of this chapter. The remainder shall be deposited into the economic development income tax funds of the county's units.

(f) County economic development income tax revenues derived from the tax rate imposed under this section may not be used for purposes other than those described in this section.

(g) County economic development income tax revenues derived from the tax rate imposed under this section that are deposited into the county facilities revenue fund may not be considered by the department of local government finance in determining the county's ad valorem property tax levy for an ensuing calendar year under IC 6-1.1-18.5.

(h) Notwithstanding any other law, funds accumulated from the county economic development income tax imposed under this section and deposited into the county facilities revenue fund or any other revenues of the county may be deposited into a nonreverting fund of the county to be used for operating costs of the courthouse facilities, juvenile detention facilities, or related facilities. Amounts in the county nonreverting fund may not be used by the department of local government finance to reduce the county's ad valorem property tax levy for an ensuing calendar year under IC 6-1.1-18.5.

As added by P.L.224-2003, SEC.257. Amended by P.L.97-2004, SEC.34; P.L.224-2007, SEC.92; P.L.77-2011, SEC.31; P.L.137-2012, SEC.106; P.L.261-2013, SEC.32.

IC 6-3.5-7-27.5

Perry County; additional rate

Sec. 27.5. (a) This section applies to Perry County.

(b) Perry County possesses unique governmental and economic development challenges due to:

(1) underemployment in relation to similarly situated counties and the loss of a major manufacturing business; and

(2) overcrowding of the county jail, the costs associated with housing the county's inmates outside the county, and the potential unavailability of additional housing for inmates outside the county.

The use of county economic development income tax revenue under this section is necessary for the county to provide adequate jail capacity in the county and to maintain low property tax rates essential to economic development. The use of the economic development income tax revenues under this section for the purposes described in subsection (c) promotes that purpose.

(c) The county council may, by ordinance, determine that additional county economic development income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, remodel, or equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and

(2) repay bonds issued or leases entered into for constructing, acquiring, improving, renovating, remodeling, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(d) In addition to the rates permitted under section 5 of this

chapter, the county council may impose the county economic development income tax at a rate not to exceed five-tenths percent (0.5%) on the adjusted gross income of county taxpayers. The ordinance imposing the additional tax must include the determination described in subsection (c). The tax imposed under this section may be imposed only until the later of the year in which the financing on, acquisition, improvement, renovation, remodeling, and equipping described in subsection (c) are completed or the year in which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b)(1) is fully paid. The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (c)(2) may not exceed twenty-five (25) years.

(e) If the county council makes a determination under subsection (c), the county council may adopt a tax rate under subsection (d). The tax rate may not be imposed at a rate greater than is necessary to pay the costs of financing, acquiring, improving, renovating, remodeling, and equipping the county jail and related buildings and parking, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(f) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County economic development income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(g) County economic development income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (c).

(h) Notwithstanding any other law, funds accumulated from the county economic development income tax imposed under this section after:

(1) the redemption of bonds issued; or

(2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

As added by P.L.199-2011, SEC.4.

IC 6-3.5-7-27.6

Starke County; tax rate; county jail and related buildings

Sec. 27.6. (a) This section applies to Starke County.

(b) Starke County possesses unique governmental and economic development challenges due to:

(1) the county's predominantly rural geography, demography, and economy;

(2) the county's relatively low tax base and relatively high property tax rates;

(3) the current maximum capacity of the county jail, which was constructed in 1976; and

(4) pending federal class action litigation seeking a mandate to address capacity and living conditions in the county jail.

The use of county economic development income tax revenue under this section is necessary for the county to address jail capacity and appropriate inmate living conditions and to maintain low property tax rates essential to economic development. The use of the economic development income tax revenue under this section for the purposes described in subsections (c) and (d) promotes that purpose.

(c) The county council may, by ordinance, determine that additional county economic development income tax revenue is needed in the county to:

(1) finance, construct, acquire, and equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and

(2) repay bonds issued or leases entered into for constructing, acquiring, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(d) The county council may, by ordinance, determine that additional county economic development income tax revenue is needed in the county to operate or maintain the facilities described in subsection (c)(1) that are located in the county. The county council may make a determination under this subsection and under subsection (c).

(e) In addition to the rates permitted by section 5 of this chapter, the county council may, subject to subsections (f) and (g), impose the county economic development income tax at a rate not to exceed sixty-five hundredths percent (0.65%) on the adjusted gross income of county taxpayers if the county council:

(1) makes the determination described in subsection (c); or

(2) makes both the determination described in subsection (c) and the determination described in subsection (d).

(f) If the county council makes only the determination under subsection (c), the county council may adopt a tax rate under subsection (e). The tax rate may not exceed the lesser of:

(1) sixty-five hundredths percent (0.65%); or

(2) the tax rate that is necessary to pay the costs of financing, acquiring, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(g) If the county council makes both the determination under

subsection (c) and the determination under subsection (d), the county council may adopt a tax rate under subsection (e). The tax rate may not exceed the lesser of:

(1) sixty-five hundredths percent (0.65%); or

(2) the tax rate that is necessary to:

(A) pay the costs of financing, acquiring, and equipping the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and

(B) provide sufficient annual revenues to operate and maintain the facilities described in subsection (c)(1).

(h) A tax rate imposed under this section may be imposed only until the later of:

(1) the date on which the last of any bonds issued or leases entered into to finance the facilities are fully paid; or

(2) the date on which the ordinance under subsection (c) or (d) is repealed or rescinded.

The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (c)(2) may not exceed twenty-five (25) years.

(i) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County economic development income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(j) County economic development income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible ad valorem property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (c).

As added by P.L.137-2012, SEC.107.

IC 6-3.5-7-28

Additional tax rate for regional development authorities

Sec. 28. (a) This section applies only to a county that is a member of a regional development authority under IC 36-7.6.

(b) In addition to the rates permitted by section 5 of this chapter, the entity that imposed the county economic development income tax under section 5 of this chapter (or, in the case of a county that has not imposed the county economic development income tax, the entity that may impose the county economic development income tax under section 5(a)(3) of this chapter) may by ordinance impose an additional county economic development income tax at a rate of:

(1) in the case of a county described in IC 36-7.6-4-2(b)(2),

twenty-five thousandths of one percent (0.025%); or

(2) in the case of any other county to which this section applies, five-hundredths of one percent (0.05%);

on the adjusted gross income of county taxpayers.

(c) If an additional county economic development income tax is imposed under this section, the county treasurer shall establish a county regional development authority fund. Notwithstanding any other provision of this chapter, the county economic development income tax revenues derived from the additional county economic development income tax imposed under this section must be deposited in the county regional development authority fund before any certified distributions are made under section 12 of this chapter.

(d) County economic development income tax revenues derived from the additional county economic development income tax imposed under this section and deposited in the county regional development authority fund:

(1) shall, not more than thirty (30) days after being deposited in the county regional development authority fund, be transferred as provided in IC 36-7.6-4-2 to the development fund of the regional development authority for which the county is a member; and

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy under IC 6-1.1-18.5.

As added by P.L.232-2007, SEC.5. Amended by P.L.77-2011, SEC.32; P.L.172-2011, SEC.79; P.L.137-2012, SEC.108.

IC 6-3.5-7-29

Applicability of tax rate in a township opting-in to a public transportation project

Sec. 29. Notwithstanding any other law, if an additional tax rate imposed under sections 5(o) and 26(m) of this chapter is required by IC 8-25-6-10, the additional tax rate applies only to the county taxpayers who reside in a township in which the voters approve a local public question held under IC 8-25-6.

As added by P.L.153-2014, SEC.15.

IC 6-3.5-8
Repealed

(Repealed by P.L.146-2008, SEC.804.)

IC 6-3.5-8.5
Repealed

(Repealed by P.L.156-1995, SEC.9.)

IC 6-3.5-9

Chapter 9. Local Option Hiring Incentive

IC 6-3.5-9-1

Application

Sec. 1. This chapter applies to a city or county that receives a certified distribution of a tax imposed under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-2

"Fiscal body"

Sec. 2. As used in this chapter, "fiscal body" has the meaning set forth in IC 36-1-2-6.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-3

"IEDC"

Sec. 3. As used in this chapter, "IEDC" refers to the Indiana economic development corporation established by IC 5-28-3-1.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-4

"New employee"

Sec. 4. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6, except that as applied to a project that is the subject of a hiring incentive agreement under this chapter, the phrase "tax credit agreement" in the definition of "new employee" under IC 6-3.1-13-6 is construed as a hiring incentive agreement under this chapter.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-5

"Person"

Sec. 5. As used in this chapter, "person" means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-6

"Qualified employee"

Sec. 6. As used in this chapter, "qualified employee" means a new employee who resides in the county in which a taxpayer's job creation project is located.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-7

"Qualified unit"

Sec. 7. As used in this chapter, "qualified unit" means a city or county described in section 1 of this chapter.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-8
"Taxpayer"

Sec. 8. As used in this chapter, "taxpayer" means a person that enters an agreement with a qualified unit to receive a hiring incentive.
As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-9
Local option hiring incentives authorized

Sec. 9. (a) A qualified unit may offer hiring incentives under this chapter to foster job creation in the qualified unit.

(b) The hiring incentive shall be claimed for the calendar years specified in the taxpayer's hiring incentive agreement.
As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-10
Authority to apply for a hiring incentive

Sec. 10. A person that proposes a project to create new jobs in a qualified unit may apply, as provided in section 11 of this chapter, to the qualified unit to enter into an agreement for a hiring incentive under this chapter.
As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-11
Qualified units authorized to enter agreements to provide hiring incentives

Sec. 11. This section applies to an application proposing a project to create new jobs in a qualified unit. After receipt of an application, the qualified unit may enter into an agreement with the applicant for a hiring incentive under this chapter if the fiscal body of the qualified unit approves the agreement after finding that all of the following conditions exist:

(1) The applicant's project will create new jobs that were not jobs previously performed by employees of the applicant in the qualified unit.

(2) The applicant's project is economically sound and will benefit the people of the qualified unit by increasing opportunities for employment in the qualified unit and strengthening the economy of Indiana.

(3) Receiving the hiring incentive is a major factor in the applicant's decision to go forward with the project and not receiving the hiring incentive will result in the applicant not creating new jobs in the qualified unit.

(4) The hiring incentive is not prohibited by section 12 of this chapter.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-12
Relocated Indiana jobs ineligible for the hiring incentive

Sec. 12. A person is not entitled to claim a hiring incentive provided by this chapter for any jobs that the person relocates from one (1) site in Indiana to another site in Indiana. Determinations under this section shall be made by the qualified unit providing the hiring incentive.
As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-13
Qualified unit's discretion to determine amount and duration of hiring incentives

Sec. 13. (a) Subject to subsection (c), the qualified unit shall determine the amount and duration of a hiring incentive awarded under this chapter. The duration of the hiring incentive may not exceed ten (10) calendar years.

(b) The hiring incentive may be stated as a percentage of the aggregate annual local option income taxes withheld and remitted on behalf of the qualified employees employed by the taxpayer and may include a fixed dollar limitation.

(c) The amount of a hiring incentive paid to a taxpayer in a particular calendar year may not exceed the aggregate amount of local option income taxes withheld and remitted during that calendar year on behalf of the taxpayer's qualified employees.

(d) A hiring incentive may be paid to a taxpayer in installments as set forth in the hiring incentive agreement.
As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-14
Required terms of hiring incentive agreements

Sec. 14. A qualified unit shall enter into an agreement with an applicant that is awarded a hiring incentive under this chapter. The agreement must include all of the following:

(1) A detailed description of the project that is the subject of the agreement.

(2) The duration of the hiring incentive and the first calendar year for which the hiring incentive may be claimed.

(3) The hiring incentive amount that will be allowed for each calendar year.

(4) A requirement that the taxpayer shall maintain operations at the project location for at least two (2) years following the last calendar year in which the applicant claims the hiring incentive.

(5) A statement that a taxpayer is subject to an assessment under section 16 of this chapter for noncompliance with the agreement.

(6) A specific method for determining the number of new employees employed during a calendar year who are performing jobs not previously performed by an employee.

(7) A requirement that the taxpayer shall annually report to the qualified unit, subject to the protections under IC 5-14-3-4(a)(5) and IC 5-14-3-4(a)(6):

(A) the number of new employees who are performing jobs

not previously performed by an employee;

(B) the new income tax revenue withheld in connection with the new employees; and

(C) any other information the qualified unit needs to perform the qualified unit's duties under this chapter.

(8) A requirement that the qualified unit is authorized to verify with the appropriate state agencies, including the IEDC, the amounts reported under subdivision (7), and after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.

(9) Any other performance conditions that the qualified unit determines are appropriate.

As added by P.L.173-2011, SEC.10. Amended by P.L.6-2012, SEC.55.

IC 6-3.5-9-15

Hiring incentives paid from distributions of county income taxes

Sec. 15. A qualified unit shall pay hiring incentives provided under this chapter from revenues received by the qualified unit under:

(1) IC 6-3.5-1.1-15;

(2) IC 6-3.5-6-19;

(3) IC 6-3.5-7-13.1; or

(4) any combination of the sources listed in subdivisions (1) through (3).

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-16

Effect of noncompliance with hiring incentive agreement

Sec. 16. If the qualified unit determines that a taxpayer who has claimed a hiring incentive under this chapter is not entitled to the hiring incentive because of the taxpayer's noncompliance with the requirements of the hiring incentive agreement or all of the provisions of this chapter, the qualified unit shall, after giving the taxpayer an opportunity to explain the noncompliance, pursue existing remedies under law for an amount that may not exceed the sum of any previously allowed hiring incentives under this chapter, together with interest and penalties required or permitted by law.

As added by P.L.173-2011, SEC.10.

IC 6-3.5-9-17

Reports

Sec. 17. (a) The qualified unit shall submit an annual report to the IEDC before July 1. The report must be in an electronic format prescribed by the IEDC and must contain the following information concerning a program established under this chapter:

(1) The number of taxpayers receiving hiring incentives in that particular year.

(2) The location of each business receiving hiring incentives as of the date of the report.

(3) A summary of the local incentives provided under this

chapter to each taxpayer receiving hiring incentives as of the date of the report.

(4) The number of jobs created and the average salary paid by taxpayers receiving hiring incentives as of the date of the report.

(b) The IEDC shall compile an annual report based on the information received under subsection (a). The IEDC shall submit the annual report to the legislative council before November 1. The report must be in an electronic format under IC 5-14-6 and must contain the information specified in subsection (a)(1) through (a)(4), aggregated or otherwise protected as necessary to maintain the confidentiality of any confidential information submitted upon request by each taxpayer under this chapter.

As added by P.L.173-2011, SEC.10.

ARTICLE 4. REPEALED

(Repealed by P.L.1-1993, SEC.41.)

IC 6-4.1

ARTICLE 4.1. DEATH TAXES

IC 6-4.1-1

Chapter 1. Definitions and Rules of Construction

IC 6-4.1-1-0.5

Applicability of chapter

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.1. Amended by P.L.205-2013, SEC.99.

IC 6-4.1-1-1

Application to article

Sec. 1. The definitions and rules of construction contained in this chapter apply throughout this article unless the context clearly requires otherwise.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-2

"Appropriate probate court" defined

Sec. 2. "Appropriate probate court" means the probate court which has jurisdiction over the determination of the inheritance tax imposed as a result of a resident decedent's death.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-3

Classes of transferees defined; adopted child as natural child

Sec. 3. (a) "Class A transferee" means a transferee who is any of the following:

(1) A lineal ancestor of the transferor.

(2) A lineal descendant of the transferor.

(3) A stepchild of the transferor, whether or not the stepchild is adopted by the transferor. This subdivision applies to the estate of an individual who dies after June 30, 2004.

(4) A lineal descendant of a stepchild of the transferor, whether or not the stepchild is adopted by the transferor.

(5) A spouse, widow, or widower of a child of the transferor. This subdivision applies to the estate of an individual who dies after December 31, 2011.

(6) A spouse, widow, or widower of a stepchild of the transferor, whether or not the stepchild is adopted by the transferor. This subdivision applies to the estate of an individual who dies after December 31, 2011.

(b) "Class B transferee" means a transferee who is a:

(1) brother or sister of the transferor;

(2) descendant of a brother or sister of the transferor; or

(3) spouse, widow, or widower of a child of the transferor. This

subdivision applies to the estate of an individual who dies before January 1, 2012.

(c) "Class C transferee" means a transferee, except a surviving spouse, who is neither a Class A nor a Class B transferee.

(d) For purposes of this section, a legally adopted child is to be treated as if the child were the natural child of the child's adopting parent if the adoption occurred before the individual was totally emancipated. However, an individual adopted after being totally emancipated shall be treated as the natural child of the adopting parent if the adoption was finalized before July 1, 2004.

(e) For purposes of this section, if a relationship of loco parentis has existed for at least ten (10) years and if the relationship began before the child's fifteenth birthday, the child is to be considered the natural child of the loco parentis parent.

(f) As used in this section, "stepchild" means a child of the transferor's surviving, deceased, or former spouse who is not a child of the transferor.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1979, P.L.75, SEC.1; P.L.68-2004, SEC.1; P.L.81-2004, SEC.18; P.L.238-2005, SEC.1; P.L.220-2011, SEC.149; P.L.157-2012, SEC.2.

IC 6-4.1-1-3.5
"Entity"

Sec. 3.5. "Entity" refers to a partnership, limited partnership, limited liability partnership, association, corporation, limited liability company, trust, or similar entity.

As added by P.L.149-2012, SEC.1.

IC 6-4.1-1-4
Repealed

(Repealed by P.L.205-2013, SEC.100.)

IC 6-4.1-1-5
"Intangible personal property" defined

Sec. 5. "Intangible personal property" means incorporeal property, such as money, deposits, credits, shares of stock, bonds, notes, other evidences of indebtedness, and other evidences of property interests.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-6
"Intestate succession" defined

Sec. 6. "Intestate succession" means a property interest transfer which is effected by the statute of descent and distribution or by operation of law, as the result of the death of an individual who fails to make a complete disposition of the property under a valid will.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-7
"Non-resident decedent" defined

Sec. 7. "Non-resident decedent" means an individual who was not domiciled in Indiana at the time of his death.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-8
"Person" defined
Sec. 8. "Person" includes a sole proprietorship, partnership, association, corporation, limited liability company, fiduciary, individual, and the department of state revenue.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.8-1993, SEC.92.

IC 6-4.1-1-9
"Personal representative" defined
Sec. 9. "Personal representative" means a person who is appointed to administer a decedent's estate by a court which has jurisdiction over the estate.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-10
"Probate court" defined
Sec. 10. "Probate court" means a court of this state which has jurisdiction over probate matters.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-11
"Resident decedent" defined
Sec. 11. "Resident decedent" means an individual who was domiciled in Indiana at the time of his death.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-12
Repealed
(Repealed by P.L.58-1990, SEC.6.)

IC 6-4.1-1-13
"Tangible personal property" defined
Sec. 13. "Tangible personal property" means corporeal personal property, such as goods, wares, and merchandise.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-14
"Taxable transfer" defined
Sec. 14. "Taxable transfer" means a property interest transfer which is described in clauses (1) and (2) of IC 6-4.1-2-1 and which is not exempt from the inheritance tax under sections 1 through 7 of IC 6-4.1-3.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-1-15

Gender; singular as plural

Sec. 15. (a) Whenever a masculine gender pronoun is used in this article, it refers to the masculine, feminine, or neuter, whichever is appropriate.

(b) The singular form of any noun as used in this article includes the plural, and the plural includes the singular, where appropriate.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-2

Chapter 2. Imposition of the Inheritance Tax

IC 6-4.1-2-0.1

Application of certain amendments to chapter

Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The amendments made to section 4 of this chapter by P.L.58-1990 do not apply to decedents who die before January 1, 1991.

(2) The amendments made to sections 2 and 3 of this chapter by P.L.78-1993 do not apply to individuals who die before July 1, 1993.

As added by P.L.220-2011, SEC.150.

IC 6-4.1-2-0.5

Applicability

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.3. Amended by P.L.205-2013, SEC.101.

IC 6-4.1-2-1

Time of imposition; transfers subject to tax

Sec. 1. (a) An inheritance tax is imposed at the time of a decedent's death on certain property interest transfers made by the decedent. The transfer of a property interest is subject to the tax if:

(1) the property transferred is described in:

(A) section 2 of this chapter, if the property is transferred by a resident decedent; or

(B) section 3 of this chapter, if the property is transferred by a nonresident decedent;

(2) the transfer is described in section 4 of this chapter; and

(3) neither the transfer nor the property is exempt from the inheritance tax under IC 6-4.1-3.

(b) For purposes of this article, a transfer described in section 4 of this chapter is considered a transfer made by the deceased transferor regardless of when the transferee acquires the property interest.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.157-2012, SEC.4.

IC 6-4.1-2-2

Property transfers of resident decedent

Sec. 2. (a) The inheritance tax applies to a property interest transfer made by a resident decedent if the interest transferred is in:

(1) real property located in this state;

(2) tangible personal property which does not have an actual situs outside this state; or

(3) intangible personal property regardless of where it is located.

(b) The inheritance tax does not apply to a property interest transfer made by a resident decedent if the interest transferred is in:

(1) real property located outside this state, regardless of whether the property is held in a trust or whether the trustee is required to distribute the property in-kind; or

(2) real property located in this state, if:

(A) the real property was transferred to an irrevocable trust during the decedent's lifetime;

(B) the transfer to the trust was not made in contemplation of the transferor's death, as determined under IC 6-4.1-2-4; and

(C) the decedent does not have a retained interest in the trust.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.78-1993, SEC.1.

IC 6-4.1-2-3

Property transfers of nonresident decedent

Sec. 3. The inheritance tax applies to a property interest transfer made by a nonresident decedent if the interest transferred is in:

(1) real property located in this state, regardless of whether the property is held in a trust or whether the trustee is required to distribute the property in-kind, unless:

(A) the real property was transferred to an irrevocable trust during the decedent's lifetime;

(B) the transfer to the trust was not made in contemplation of the transferor's death, as determined under section 4 of this chapter; and

(C) the decedent does not have a retained interest in the trust; or

(2) tangible personal property which has an actual situs in this state.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1979, P.L.75, SEC.2; P.L.78-1993, SEC.2; P.L.42-2011, SEC.16.

IC 6-4.1-2-4

Transfers of interests in property; transfers in contemplation of death; transfers for consideration

Sec. 4. (a) The inheritance tax applies to transfers of property interests described in subsection (d) and to the following types of property interest transfers:

(1) transfers which are made under a deceased transferor's will or under the laws of intestate succession, as a result of the transferor's death;

(2) transfers which are made in contemplation of the transferor's death;

(3) transfers which are made in such a manner that they are intended to take effect in possession or enjoyment at or after the transferor's death;

(4) transfers which are made in payment of a claim against the transferor's estate if:

(A) the claim results from a contract or antenuptial

agreement made by the transferor; and

(B) payment of the amount claimed is due at or after the transferor's death under the terms of the transferor's will or the contract;

(5) those jointly held property transfers described in section 5 of this chapter;

(6) those transfers which are made by a trust deed in the manner described in section 6 of this chapter; and

(7) those transfers which are made to an executor or trustee in the manner described in section 7 of this chapter.

(b) A transfer is presumed to have been made in contemplation of the transferor's death if it is made within one (1) year before the transferor's date of death. However, the presumption is rebuttable.

(c) If a transfer described in subsection (a)(1), (a)(2), (a)(3), or (a)(4) is made for valuable consideration, the value of the property so transferred equals the remainder of:

(1) the total value of the property transferred; minus

(2) the equivalent in money value of the consideration received by the transferor.

For purposes of this subsection, the term "consideration" does not include love or affection.

(d) If at the time of death a surviving spouse has been entitled to income from a property interest that was the subject of a previous transfer exempt from inheritance tax under IC 6-4.1-3-7(b) or IC 6-4.1-3-7 (c), then the value of the property interest at the time of death of the surviving spouse is subject to the inheritance tax as if it were a transfer of property owned by the surviving spouse. The value of a property interest subject to inheritance tax under this section includes the value of each gift of any part of the property interest made by the surviving spouse in contemplation of death.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1982, P.L.55, SEC.1; P.L.58-1990, SEC.1.

IC 6-4.1-2-5

Joint ownership with rights of survivorship

Sec. 5. If property is held by two (2) or more individuals jointly with rights of survivorship, the exercise of the rights of the surviving joint owner or owners to the immediate ownership or possession and enjoyment of the property upon the death of one (1) of the joint owners is a transfer to which the inheritance tax applies. The value of the property so transferred equals the remainder of (1) the total value of the jointly held property, minus (2) the value of that portion of the jointly held property which the surviving joint owner or owners prove belonged to him or them.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1982, P.L.56, SEC.1.

IC 6-4.1-2-6

Transfers by deed of trust with powers reserved in transferor

Sec. 6. If a transferor transfers property by a deed of trust in such

a manner that he reserves to:

(1) himself any interest; or

(2) himself and others powers of revocation, alteration, or amendment which if exercised would cause the property to revert to the transferor;

then the inheritance tax imposed as a result of the transferor's death applies to the transfer. The value of the property so transferred equals the value of the property subject to the powers, and in respect to which the powers remain unexercised, at the time of the transferor's death.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-2-7

Transfers to executor as trustee in lieu of fee

Sec. 7. If an individual transfers property to an executor or trustee in lieu of his fee, the inheritance tax applies to the transfer if the value of the property transferred exceeds the fee that would have been due if the transfer had not been made. The value of the property so transferred equals the amount of the excess.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-2-8

Transfers to entities

Sec. 8. If a transferor makes a taxable transfer to an entity, each individual with a beneficial (whether discretionary or not) or ownership interest in the entity is considered a transferee. Each transferee is liable for the same percentage of the taxes imposed on the taxable transfer as that individual's percentage of beneficial (whether discretionary or not) or ownership interest in the entity.

As added by P.L.149-2012, SEC.2.

IC 6-4.1-3

Chapter 3. Inheritance Tax Exemptions and Deductions

IC 6-4.1-3-0.1

Application of certain amendments to chapter

Sec. 0.1. The amendments made to sections 6.5 and 7 of this chapter by P.L.2-1987 take effect on January 1, 1987, and apply to taxable years beginning after December 31, 1986.

As added by P.L.220-2011, SEC.151.

IC 6-4.1-3-0.5

Applicability

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.5. Amended by P.L.205-2013, SEC.102.

IC 6-4.1-3-1

Exempt transfers

Sec. 1. Each transfer described in section 2055(a) of the Internal Revenue Code is exempt from the inheritance tax.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1976, P.L.19, SEC.1.

IC 6-4.1-3-1.5

Transfer to cemetery association

Sec. 1.5. (a) As used in this section, "cemetery" and "cemetery purposes" have the same meaning as the definitions of those terms contained in IC 23-14-33.

(b) The transfer of property to a cemetery association is exempt from the inheritance tax if the property is used for cemetery purposes.

As added by Acts 1980, P.L.57, SEC.1. Amended by P.L.52-1997, SEC.2.

IC 6-4.1-3-2

Repealed

(Repealed by Acts 1976, P.L.19, SEC.3.)

IC 6-4.1-3-3

Repealed

(Repealed by Acts 1976, P.L.19, SEC.3.)

IC 6-4.1-3-4

Repealed

(Repealed by Acts 1976, P.L.19, SEC.3.)

IC 6-4.1-3-5

Repealed

(Repealed by Acts 1980, P.L.57, SEC.29.)

IC 6-4.1-3-6
Life insurance proceeds

Sec. 6. The proceeds from life insurance on the life of a decedent are exempt from the inheritance tax imposed as a result of his death unless the proceeds become subject to distribution as part of his estate and subject to claims against his estate.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-3-6.5
Annuity payments

Sec. 6.5. An annuity, or other payment, described in Section 2039(a) of the Internal Revenue Code is exempt from the inheritance tax imposed as a result of a decedent's death to the same extent that the annuity or other payment is excluded from the decedent's federal gross estate under Section 2039 of the Internal Revenue Code.
As added by Acts 1977(ss), P.L.6, SEC.2. Amended by Acts 1980, P.L.57, SEC.2; P.L.87-1983, SEC.2; P.L.2-1987, SEC.24.

IC 6-4.1-3-7
Transfers of property by decedent to surviving spouse; qualifying income interest for life; election

Sec. 7. (a) Each property interest which a decedent transfers to his surviving spouse is exempt from the inheritance tax imposed as a result of his death.

(b) For the purpose of subsection (a), "property interest which a decedent transfers to his surviving spouse" includes a property interest from which the surviving spouse is entitled for life to income or payments and which otherwise qualifies for deduction from the gross estate of the decedent under Section 2056(b)(5) or 2056(b)(6) of the Internal Revenue Code.

(c) The personal representative of the decedent's estate or the trustee or transferee of property transferred by the decedent may, for the purpose of the exemption established by subsection (a), elect to treat property passing from the decedent in which the surviving spouse has a qualifying income interest for life as a property interest which a decedent transfers to his surviving spouse. For purposes of this section, "qualifying income interest for life" means a qualifying income interest for life (as defined in Section 2056(b)(7) of the Internal Revenue Code).

(d) The election referred to in subsection (c) shall be made in writing and shall be attached to the inheritance tax return, if one is required to be filed. The election, once made, is irrevocable.
As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1979, P.L.75, SEC.3; Acts 1982, P.L.55, SEC.2; P.L.2-1987, SEC.25.

IC 6-4.1-3-8
Repealed

(Repealed by Acts 1979, P.L.75, SEC.15.)

IC 6-4.1-3-8.5
Repealed
(Repealed by Acts 1982, P.L.56, SEC.6.)

IC 6-4.1-3-9
Repealed
(Repealed by Acts 1982, P.L.56, SEC.7.)

IC 6-4.1-3-9.1
Repealed
(Repealed by P.L.254-1997(ss), SEC.37.)

IC 6-4.1-3-9.2
Repealed
(Repealed by Acts 1982, P.L.56, SEC.6.)

IC 6-4.1-3-9.5
Repealed
(Repealed by P.L.254-1997(ss), SEC.37.)

IC 6-4.1-3-9.7
Repealed
(Repealed by P.L.254-1997(ss), SEC.37.)

IC 6-4.1-3-10
Portion of property interests transferred to Class A transferee under taxable transfer

Sec. 10. (a) With respect to a taxable transfer or transfers resulting from the death of a decedent who dies before January 1, 2012, the first one hundred thousand dollars ($100,000) of property interests transferred to a Class A transferee under the taxable transfer or transfers is exempt from the inheritance tax.

(b) With respect to a taxable transfer or transfers resulting from the death of a decedent who dies after December 31, 2011, the first two hundred fifty thousand dollars ($250,000) of property interests transferred to a Class A transferee under the taxable transfer or transfers is exempt from the inheritance tax.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1979, P.L.75, SEC.6; Acts 1980, P.L.57, SEC.5; Acts 1981, P.L.90, SEC.2; P.L.87-1983, SEC.3; P.L.254-1997(ss), SEC.9; P.L.157-2012, SEC.6.

IC 6-4.1-3-11
Portion of property interest transferred to Class B transferee under taxable transfer

Sec. 11. The first five hundred dollars ($500) of property interests transferred to a Class B transferee under a taxable transfer or transfers is exempt from the inheritance tax.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-3-12
Portion of property interest transferred to Class C transferee under taxable transfer

Sec. 12. The first one hundred dollars ($100) of property interests transferred to a Class C transferee under a taxable transfer or transfers is exempt from the inheritance tax.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-3-12.5
Repealed

(Repealed by P.L.252-2001, SEC.38.)

IC 6-4.1-3-13
Items deductible from value of property interests transferred by resident decedent by will, intestate succession, or under trust

Sec. 13. (a) For purposes of this section, the term "property subject to the inheritance tax" means property transferred by a decedent under a taxable transfer.

(b) The following items, and no others, may be deducted from the value of property interests transferred by a resident decedent under his will, under the laws of intestate succession, or under a trust:

(1) the decedent's debts which are lawful claims against his resident estate;

(2) taxes on the decedent's real property which is located in this state and subject to the inheritance tax, if the real property taxes were a lien at the time of the decedent's death;

(3) taxes on decedent's personal property which is located in this state and subject to the inheritance tax, if the personal property taxes are a personal obligation of the decedent or a lien against the property and if the taxes were unpaid at the time of the decedent's death;

(4) taxes imposed on the decedent's income to date of death, if the taxes were unpaid at the time of his death;

(5) inheritance, estate, or transfer taxes, other than federal estate taxes, imposed by other jurisdictions with respect to intangible personal property which is subject to the inheritance tax;

(6) mortgages or special assessments which, at the time of decedent's death, were a lien on any of decedent's real property which is located in this state and subject to the inheritance tax;

(7) decedent's funeral expenses;

(8) amounts, not to exceed one thousand dollars ($1,000), paid for a memorial for the decedent;

(9) expenses incurred in administering property subject to the inheritance tax, including but not limited to reasonable attorney fees, personal representative fees, and trustee fees;

(10) the amount of any allowance provided to the resident decedent's children by IC 29-1-4-1; and

(11) The value of any property actually received by a resident decedent's surviving spouse in satisfaction of the allowance provided by IC 29-1-4-1, regardless of whether or not a claim

for that allowance has been filed under IC 29-1-14.

(c) The amounts which are deductible under subsection (b)(6) of this section are deductible only from the value of the real property encumbered by the mortgage or special assessment.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1976, P.L.20, SEC.1; Acts 1979, P.L.75, SEC.7; Acts 1980, P.L.57, SEC.6; Acts 1981, P.L.89, SEC.2.

IC 6-4.1-3-14

Items deductible from value of property interests transferred by resident decedent other than by will, intestate succession, or under trust

Sec. 14. (a) Except as provided in subsection (b), the following items, and no others, may be deducted from the value of property interests which are transferred by a resident decedent but which are not transferred by the decedent's will, under the laws of intestate succession, or under a trust:

(1) Those taxes described in section 13(b)(5) of this chapter.

(2) Liens against the property interests that are transferred.

(3) The decedent's debts, funeral expenses, and estate administration expenses, including reasonable attorney's fees incurred in filing the inheritance tax return.

(b) In addition, any portion of the deduction provided by section 13(b)(10) of this chapter which is not needed to reduce to zero (0) the value of the property referred to in section 13 of this chapter may be deducted from the value of any other propety transferred by the resident decedent to the decedent's children who are entitled to the allowance provided by IC 29-1-4-1. If more than one (1) of the decedent's children are entitled to the allowance, the deduction provided by this subsection shall be divided equally among all the decedent's children who are entitled to the allowance.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1976, P.L.20, SEC.2; Acts 1979, P.L.75, SEC.8; Acts 1980, P.L.57, SEC.7; P.L.94-1989, SEC.1.

IC 6-4.1-3-15

Items deductible from value of property interests transferred by non-resident decedent

Sec. 15. The following items, and no others, may be deducted from the value of property interests transferred by a non-resident decedent:

(1) taxes, other than federal estate taxes;

(2) those administration expenses described in section 13(b)(9) of this chapter;

(3) liens against the property so transferred; and

(4) claims against the decedent's domiciliary estate which are allowed by the court having jurisdiction over that estate and which will not be paid from that estate because it is exhausted.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-4

Chapter 4. Filing Requirements

IC 6-4.1-4-0.1

Application of certain amendments to chapter

Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The amendments made to sections 1, 2, and 7 of this chapter by P.L.252-2001 apply to the estate of an individual who dies after June 30, 2001.

(2) The amendments made to section 2 of this chapter by P.L.238-2005 apply to the estate of a person who dies after June 30, 2005.

As added by P.L.220-2011, SEC.152.

IC 6-4.1-4-0.2

Applicability

Sec. 0.2. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.7. Amended by P.L.205-2013, SEC.103.

IC 6-4.1-4-0.5

Inheritance tax return not required; affidavits; liens

Sec. 0.5. (a) No inheritance tax return is required under this chapter unless the total fair market value of the property interests transferred by the decedent to a transferee under a taxable transfer or transfers exceeds the exemption provided to the transferee under IC 6-4.1-3-10 through IC 6-4.1-3-12. For purposes of this section, the fair market value of a property interest is its fair market value as of the appraisal date prescribed by IC 6-4.1-5-1.5.

(b) An affidavit may be used to state that no inheritance tax is due after applying the exemptions under IC 6-4.1-3. The affidavit must contain the following information:

(1) The decedent's name and date of death.

(2) The name of each known transferee and the transferee's relationship to the decedent.

(3) The total value of property transferred to each known transferee as a result of the decedent's death.

(4) A statement that the total value of property transferred to each known transferee as a result of the decedent's death is less than the amount of the exemption provided to the transferee under IC 6-4.1-3.

(c) An affidavit described in subsection (b) may be:

(1) recorded in the office of the county recorder if the affidavit concerns real property and includes the legal description of the real property in the decedent's estate; or

(2) submitted as required by IC 6-4.1-8-4 if the affidavit concerns personal property.

If consent by the department of state revenue or the appropriate county assessor is required under IC 6-4.1-8-4 for the transfer of personal property, the affidavit must be submitted with a request for a consent to transfer under IC 6-4.1-8-4.

(d) If consent by the department of state revenue or the appropriate county assessor is required under IC 6-4.1-8-4 before personal property may be transferred and the department of state revenue or the appropriate county assessor consents to a transfer of personal property under IC 6-4.1-8-4 after considering an affidavit described in subsection (b), the full value of the personal property may be transferred.

(e) The department of state revenue or the appropriate county assessor may rely upon an affidavit described in subsection (b) to determine that a transfer will not jeopardize the collection of inheritance tax for purposes of IC 6-4.1-8-4(e).

(f) It is presumed that no inheritance tax is due and that no inheritance tax return is required if an affidavit described in subsection (b) was:

(1) properly executed; and

(2) recorded in the decedent's county of residence or submitted under IC 6-4.1-8-4.

(g) Except as provided in subsection (i), a lien attached under IC 6-4.1-8-1 to the real property owned by a decedent terminates when an affidavit described in subsection (b) is:

(1) properly executed; and

(2) recorded in the county in which the real property is located.

(h) Except as provided in subsection (i), a lien attached under IC 6-4.1-8-1 to personal property that is owned by the decedent terminates when:

(1) an affidavit described in subsection (b) is properly executed;

(2) the affidavit described in subsection (b) is submitted to the department of state revenue or the appropriate county assessor in conformity with IC 6-4.1-8-4; and

(3) the department of state revenue or the appropriate county assessor consents to the transfer.

However, subdivision (3) does not apply if consent of the department of state revenue or the appropriate county assessor is not required under IC 6-4.1-8-4 before the property may be transferred.

(i) A lien terminated under subsection (g) or (h) is reattached to the property under IC 6-4.1-8-1 if the department of state revenue obtains an order that an inheritance tax is owed.

As added by Acts 1977(ss), P.L.6, SEC.4. Amended by Acts 1979, P.L.75, SEC.9; Acts 1980, P.L.57, SEC.8; P.L.87-1983, SEC.4; P.L.252-2001, SEC.1; P.L.6-2010, SEC.1.

IC 6-4.1-4-1

Inheritance tax return; filing time; contents

Sec. 1. (a) Except as otherwise provided in section 0.5 of this chapter or in IC 6-4.1-5-8, the personal representative of a resident decedent's estate or the trustee or transferee of property transferred by

the decedent shall file an inheritance tax return with the appropriate probate court within nine (9) months after the date of the decedent's death. The person filing the return shall file it under oath on the forms prescribed by the department of state revenue. The return shall:

(1) contain a statement of all property interests transferred by the decedent under taxable transfers known to the person filing the return;

(2) indicate the fair market value, as of the appraisal date prescribed by IC 6-4.1-5-1.5, of each property interest included in the statement;

(3) contain an itemized list of all inheritance tax deductions claimed with respect to property interests included in the statement;

(4) contain a list which indicates the name and address of each transferee of the property interests included in the statement and which indicates the total value of the property interests transferred to each transferee; and

(5) contain the name and address of the attorney for the personal representative or for the person filing the return.

(b) If the decedent died testate, the person filing the return shall attach a copy of the decedent's will to the return.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1977(ss), P.L.6, SEC.5; Acts 1980, P.L.57, SEC.9; P.L.67-1988, SEC.1; P.L.252-2001, SEC.2; P.L.6-2010, SEC.2.

IC 6-4.1-4-2

Extension of filing time; subsequent extensions

Sec. 2. (a) If the Internal Revenue Service allows an extension on a federal estate tax return, the corresponding due date for the Indiana inheritance tax return is automatically extended for the same period as the federal extension.

(b) If the appropriate probate court finds that because of an unavoidable delay an inheritance tax return cannot be filed within nine (9) months after the date of decedent's death, the court may extend the period for filing the return. After the expiration of the first extension period, the court may grant a subsequent extension if the person seeking the extension files a written motion which states the reason for the delay in filing the return.

(c) For purposes of sections 3 and 6 of this chapter, an inheritance tax return is not due until the last day of any extension period or periods granted under this section.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.252-2001, SEC.3; P.L.238-2005, SEC.2.

IC 6-4.1-4-3

Failure to file; court ordered appearance upon request of interested parties

Sec. 3. The appropriate probate court shall order a person who fails to file an inheritance tax return on or before the date the return is due to appear before the court to state why the return has not been

filed if an interested party files a motion asking the court to take that action. In addition, the court may on its own motion order the person to enter such an appearance.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-4-4
Court order; appearance upon request of interested parties

Sec. 4. The appropriate probate court may order a personal representative of a resident decedent's estate to file an inheritance tax return on or before a date fixed by the court if the personal representative appears before the court in response to an order issued by the court under section 3 of this chapter.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-4-5
Removal of personal representative; grounds

Sec. 5. The appropriate probate court may order the removal of the personal representative of a resident decedent's estate and appoint a successor to take the removed personal representative's place if:

(1) the personal representative fails to appear before the court in response to an order issued by it under section 3 of this chapter; or

(2) the personal representative fails to file an inheritance tax return on or before the date fixed by the court under section 4 of this chapter.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-4-6
Penalties for failure to file return; waiver

Sec. 6. (a) Except as provided in subsection (b) of this section, the appropriate probate court shall charge a person who fails to file an inheritance tax return on or before the due date a penalty in an amount which equals:

(1) fifty cents ($0.50) per day for each day that the return is delinquent; or

(2) fifty dollars ($50);

whichever is less. The court shall include the penalty in the inheritance tax decree which it issues with respect to the decedent's estate. The person to whom the penalty is charged shall pay it to the treasurer of the county in which the resident decedent was domiciled at the time of the resident decedent's death.

(b) The appropriate probate court may waive the penalty otherwise required under subsection (a) of this section if the court finds that the person had a justifiable excuse for not filing the return on or before the due date.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.86-1995, SEC.6.

IC 6-4.1-4-7
Nonresident decedent; inheritance tax return

Sec. 7. (a) Except as otherwise provided in section 0.5 of this chapter, the personal representative of a nonresident decedent's estate or the trustee or transferee of property transferred by the decedent shall file an inheritance tax return with the department of state revenue within nine (9) months after the date of the decedent's death. The person filing the return shall file it under oath on the forms prescribed by the department of state revenue. The return shall:

(1) contain a statement of all property interests transferred by the decedent under taxable transfers known to the person filing the return;

(2) indicate the fair market value, as of the appraisal date prescribed by IC 6-4.1-5-1.5, of each property interest included in the statement;

(3) contain an itemized list of all inheritance tax deductions claimed with respect to property interests included in the statement;

(4) contain a list which indicates the name and address of each transferee of the property interests included in the statement and which indicates the total value of the property interests transferred to each transferee; and

(5) contain the name and address of the attorney for the personal representative or for the person filing the return.

(b) If the decedent died testate, the person filing the return shall attach a copy of the decedent's will to the return.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1977(ss), P.L.6, SEC.6; Acts 1980, P.L.57, SEC.10; P.L.67-1988, SEC.2; P.L.252-2001, SEC.4; P.L.6-2010, SEC.3.

IC 6-4.1-4-8

Federal estate tax return; filing with state

Sec. 8. If a federal estate tax return is filed for a decedent's estate and if a tax is imposed under this article as a result of the decedent's death, the personal representative of the decedent's estate or the trustee or transferee of property transferred by the decedent shall:

(1) concurrently with the filing of the federal estate tax return file a signed copy of that return with the department of state revenue; and

(2) file a copy of the final determination of federal estate tax, whether issued by the internal revenue service or a federal court, with the department of state revenue within thirty (30) days after it is received.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-4-9

Filing fee prohibited

Sec. 9. A person may not be required to pay a fee to file an inheritance tax return.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.11.

IC 6-4.1-5

Chapter 5. Determination of Inheritance Tax

IC 6-4.1-5-0.5

Applicability

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.8. Amended by P.L.205-2013, SEC.104.

IC 6-4.1-5-1

Tax rates; transfers to Classes A, B, and C transferees

Sec. 1. (a) For purposes of this section, the net taxable value of property interests transferred by a decedent to a particular transferee equals the remainder of:

(1) the total fair market value of the property interests transferred by the decedent to the transferee under a taxable transfer or transfers; minus

(2) the total amount of exemptions and deductions provided under sections 9.1 through 15 of IC 6-4.1-3 with respect to the property interests so transferred.

(b) The inheritance tax imposed on a decedent's transfer of property interests to a particular Class A transferee is prescribed in the following table:

NET TAXABLE VALUE OF PROPERTY INTERESTS TRANSFERRED	INHERITANCE TAX
$25,000 or less	1% of net taxable value
over $25,000 but not over $50,000	$250, plus 2% of net taxable value over $25,000
over $50,000 but not over $200,000	$750, plus 3% of net taxable value over $50,000
over $200,000 but not over $300,000	$5,250, plus 4% of net taxable value over $200,000
over $300,000 but not over $500,000	$9,250, plus 5% of net taxable value over $300,000
over $500,000 but not over $700,000	$19,250, plus 6% of net taxable value over $500,000
over $700,000 but not over $1,000,000	$31,250, plus 7% of net taxable value over $700,000
over $1,000,000 but not over $1,500,000	$52,250, plus 8% of net taxable value over $1,000,000

over $1,500,000	$92,250, plus 10% of net taxable value over $1,500,000

(c) The inheritance tax imposed on a decedent's transfer of property interests to a particular Class B transferee is prescribed in the following table:

NET TAXABLE VALUE OF PROPERTY INTERESTS TRANSFERRED	INHERITANCE TAX
$100,000 or less	7% of net taxable value
over $100,000 but not over $500,000	$7,000, plus 10% of net taxable value over $100,000
over $500,000 but not over $1,000,000	$47,000, plus 12% of net taxable value over $500,000
over $1,000,000	$107,000, plus 15% of net taxable value over $1,000,000

(d) The inheritance tax imposed on a decedent's transfer of property interests to a particular Class C transferee is prescribed in the following table:

NET TAXABLE VALUE OF PROPERTY INTERESTS TRANSFERRED	INHERITANCE TAX
$100,000 or less	10% of net taxable value
over $100,000 but not over $1,000,000	$10,000, plus 15% of net taxable value over $100,000
over $1,000,000	$145,000, plus 20% of net taxable value over $1,000,000

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1977(ss), P.L.6, SEC.7; Acts 1979, P.L.75, SEC.10; Acts 1980, P.L.57, SEC.12; P.L.87-1983, SEC.5.

IC 6-4.1-5-1.1
Repealed

(Repealed by P.L.205-2013, SEC.105.)

IC 6-4.1-5-1.5
Fair market value; appraisal date

Sec. 1.5. (a) For purposes of determining the fair market value of each property interest transferred by a decedent, the appraisal date for the property interest is the date used to value the property interest for federal estate tax purposes. However, if no federal estate tax return is filed for the decedent's estate, the appraisal date for each property interest transferred by the decedent is the date of the decedent's death.

(b) The finally determined federal estate tax value of a property interest is presumed to be the fair market value of the property interest for Indiana inheritance tax purposes, unless the federal estate tax value is determined under Section 2032A of the Internal Revenue

Code. However, the presumption is rebuttable. A property interest that is valued for federal estate tax purposes under Section 2032A of the Internal Revenue Code shall be valued for Indiana inheritance tax purposes at its fair market value on the appraisal date prescribed by subsection (a).
As added by Acts 1980, P.L.57, SEC.13.

IC 6-4.1-5-2
Referral of return to tax appraiser; duties

Sec. 2. Within ten (10) days after an inheritance tax return for a resident decedent is filed with the probate court, the court shall refer the return to the county inheritance tax appraiser. The county inheritance tax appraiser shall:

(1) investigate the facts concerning taxable transfers made by the decedent before his death;
(2) review the return for mistakes and omissions; and
(3) appraise each property interest, transferred by the decedent under a taxable transfer, at its fair market value as of the appraisal date prescribed by IC 6-4.1-5-1.5.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.14.

IC 6-4.1-5-3
Notice of appraisal

Sec. 3. Before making the appraisal required under section 2(3) of this chapter, the county inheritance tax appraiser shall give notice of the date, time, and place of the appraisal, by mail, to any person designated by the probate court and each interested person who filed a request for notice and provided a mailing address to the county assessor. The county inheritance tax appraiser shall appraise the property interests at the time and place stated in the notice.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.165-2002, SEC.1.

IC 6-4.1-5-4
Subpoena; witness fees

Sec. 4. In order to make the appraisal required under section 2(3) of this chapter, the county inheritance tax appraiser may:

(1) issue subpoenas;
(2) compel the appearance of witnesses before him; and
(3) examine witnesses under oath.

Each witness examined with respect to the appraisal is entitled to receive a fee in the same amount paid to a witness subpoenaed to appear before a court of record. The county treasurer shall, from county funds not otherwise appropriated, pay the witness fee which is provided for under this section and which is allowed by the probate court under section 10 of this chapter.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-5-5

Refiling return following appraisal; appraiser's review

Sec. 5. After an inheritance tax return filed for a resident decedent is examined by the county inheritance tax appraiser and the probate court, the court shall order the person responsible for filing the return to complete the return and refile it if the court finds that the return is incomplete. When the return is refiled, the court shall refer the refiled return to the county inheritance tax appraiser for review by him.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-5-6

Appraisal report; preparation; filing

Sec. 6. After completing the duties assigned to him under section 2 of this chapter, the county inheritance tax appraiser shall prepare an appraisal report. The appraisal report shall:

(1) contain a list of the property interests described in section 2(3) of this chapter; and

(2) indicate the fair market value of the property interests.

The county inheritance tax appraiser shall file one (1) copy of the report with the probate court, and he shall file another copy of the report with the department of state revenue. The appraiser shall attach the depositions of any witnesses examined with respect to the appraisal and any other information which the court may require to the appraisal report which he files with the court.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.15.

IC 6-4.1-5-7

Petition for order of no inheritance tax due

Sec. 7. If the personal representative of a resident decedent's estate or the trustee or transferee of property transferred by the decedent believes that no inheritance tax is imposed under this article as a result of the decedent's death, he may file a verified petition with the appropriate probate court requesting that the court enter an order stating that no inheritance tax is due. The petitioner must include in the petition a statement of the value of the property interests transferred by the decedent.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-5-8

Hearing upon petition for order of no inheritance tax due; rehearing

Sec. 8. If a petition is filed under section 7 of this chapter, the probate court may hold a hearing on the petition. If the court elects to hold a hearing, it shall give notice of the hearing in the same manner prescribed for giving the notice required under section 9 of this chapter. After the probate court completes its examination of the petition, the court may enter an order stating that no inheritance tax is due as a result of the decedent's death. If the court enters such an order, the petitioner is not required to file an inheritance tax return. However, a person may petition the appropriate probate court under

IC 6-4.1-7 for a rehearing on the court's order or for a reappraisal of the property interests transferred by the decedent.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-5-9
Hearing on tax appraiser's report; notice

Sec. 9. When the county inheritance tax appraiser files an appraisal report with the probate court, the court shall give twenty (20) days notice by mail of the date, time, and place of a hearing on the report to each interested person who filed a request for notice and provided a mailing address under section 3 of this chapter.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.165-2002, SEC.2.

IC 6-4.1-5-10
Orders of inheritance tax and witness fees due; form

Sec. 10. (a) After the hearing required by section 9 of this chapter, the probate court shall determine the fair market value of the property interests transferred by the resident decedent and the amount of inheritance tax due as a result of his death. The court shall then enter an order stating the amount of inheritance tax due and the fees due witnesses under section 4 of this chapter. If the court finds that no inheritance tax is due, the court shall include a statement to that effect in the order.

(b) The court shall prepare the order required by this section on the form prescribed by the department of state revenue. The court shall include in the order a description of all Indiana real property owned by the resident decedent at the time of his death. The probate court shall spread the order of record in the office of the clerk of the circuit court. The clerk shall maintain the orders in a looseleaf ledger.

(c) The order described in this section is confidential.
As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.16; P.L.176-2003, SEC.1.

IC 6-4.1-5-11
Court determination of inheritance tax due; copies to interested persons

Sec. 11. The court shall immediately mail a copy of its determination of the fair market value of the property interests transferred by a resident decedent and the inheritance tax due as a result of the person's death to each interested person who filed a request for notice and provided a mailing address under section 3 of this chapter, the department of state revenue, and the county treasurer.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.165-2002, SEC.3.

IC 6-4.1-5-12
Repealed

(Repealed by P.L.305-1987, SEC.38.)

IC 6-4.1-5-13
Appointment of temporary guardian

Sec. 13. A probate court shall appoint a temporary guardian to represent an individual if, at any time during the proceedings to determine the inheritance tax imposed as a result of a resident decedent's death, the court finds that the individual:

(1) is under eighteen (18) years of age or incapacitated (as defined in IC 29-3-1-7.5); and

(2) has an interest in the resident decedent's estate which is adverse to an interest which another person has in the estate.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.33-1989, SEC.5.

IC 6-4.1-5-14
Appraisal and determination of tax due on nonresident decedent's estate; determination without court intervention

Sec. 14. The department of state revenue shall determine the inheritance tax imposed as a result of a non-resident decedent's death. The department may appraise the property transferred by the decedent and determine the inheritance tax due without the intervention of a court.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-5-15
Orders with respect to nonresident decedent's estate; filing fees

Sec. 15. (a) The department of state revenue shall, with respect to a nonresident decedent's estate, enter an order which:

(1) states the fair market value of all property interests transferred by the decedent under taxable transfers;

(2) describes all Indiana real property so transferred by the decedent; and

(3) states the inheritance tax imposed as a result of the decedent's death.

(b) The clerk of the circuit court of each county in which real property described in the order is located shall spread a copy of the order of record.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.17; P.L.171-1984, SEC.5; P.L.192-1986, SEC.5; P.L.305-1987, SEC.8.

IC 6-4.1-5-16
Notice of taxes due upon nonresident decedent's estate

Sec. 16. The department of state revenue shall, by mail, give notice of the inheritance tax due as a result of a nonresident decedent's death to the personal representative of the decedent's estate or the trustee of property transferred by the decedent. However, if there is no personal representative or trustee, the department shall give the notice to each person liable for payment of the tax. Unless an appeal is initiated under IC 6-4.1-7-5 within ninety (90) days after

the notice is given, the inheritance tax stated by the department in the notice is final.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-5-17
Transfers by will; property not specifically bequeathed or devised

Sec. 17. When property is transferred by will and is not specifically bequeathed or devised, the property is, for purposes of this article, to be treated as if it were transferred proportionately to and divided pro rata among all the general legatees and devisees named in the transferor's will, including all transfers under a residuary clause of the will.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-6

Chapter 6. Special Procedures for Appraising and Taxing Certain Property Interests

IC 6-4.1-6-0.5

Applicability

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.10. Amended by P.L.205-2013, SEC.106.

IC 6-4.1-6-1

Mortality standards and actuarial tables; valuation of future interests

Sec. 1. (a) For purposes of this article, county inheritance tax appraisers and the department of state revenue shall, if possible, appraise each future, contingent, defeasible, or life interest in property and each annuity by using the rules, methods, standards of mortality, and actuarial tables used by the Internal Revenue Service on October 1, 1988, for federal estate tax purposes.

(b) Except as otherwise provided in this chapter, the value of a future interest in specific property equals the remainder of:

(1) the total value of the property; minus

(2) the value of all other interests in the property.

(c) Unless otherwise provided by the transferor, the inheritance tax imposed on the transfer of each of the interests is payable from the property in which the interests exist.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.95-1989, SEC.1.

IC 6-4.1-6-2

Property interests that may be divested

Sec. 2. County inheritance tax appraisers and the department of state revenue shall appraise a property interest which may be divested because of an act or omission of the transferee as if there were no possibility of divestment.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-6-3

Agreements with department for computing taxes

Sec. 3. (a) The department of state revenue and a taxpayer may enter into an agreement under which the department will compute the inheritance tax due with respect to a taxable transfer if:

(1) it is impossible to compute the present value of the property interest transferred; or

(2) the tax imposed on the transfer cannot be computed because a contingency makes it impossible to determine who will take the property.

The personal representative of an estate or the trustee of a trust may,

without court authorization, enter into such an agreement with the department on behalf of the estate or trust.

(b) When the department of state revenue enters into an agreement with a taxpayer under this section, the tax computed by the department is payable from the property interest transferred.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-6-4

Manner of property distribution; circumstances where court determination required; finality

Sec. 4. For purposes of determining the inheritance tax imposed on a decedent's transfer of specific property, the appropriate probate court shall, so far as possible, determine the manner in which the property will probably be distributed if:

(1) a contingency makes it impossible to determine each transferee's exact interest in the property; and

(2) the department of state revenue and the taxpayer fail, within a reasonable time, to enter into an agreement under section 3 of this chapter.

Unless the court's determination is appealed, it is final and binding on all parties.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-6-5

Appraisal of limited, contingent, dependent, or determinable interests

Sec. 5. If a probate court files an application with the department of state revenue asking the department to appraise a property interest which is limited, contingent, dependent, or determinable upon a life in being, including but not limited to a life or remainder interest, the department shall, if possible, appraise the property interest. The department shall base its appraisal on the facts stated by the court in the application, and the department shall certify its appraisal in duplicate to the court. The department's certification is competent evidence that the appraisal is correct.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-6-6

Contingent or defeasible future interests; appraisal

Sec. 6. (a) If proceedings have not been instituted under this chapter to determine the inheritance tax imposed on the decedent's transfer of a contingent or defeasible future interest in property or if the tax imposed on such a transfer is postponed under subsection (b) of this section, the county inheritance tax appraiser or the department of state revenue shall, notwithstanding the provisions of IC 6-4.1-5, appraise the property interest at its fair market value when the transferee of the interest obtains the beneficial enjoyment or possession of the property.

(b) The inheritance tax imposed on the decedent's transfer of a contingent or defeasible interest in property accrues and is due when

the transferee of the interest obtains the beneficial enjoyment or possession of the property if the fair market value of the property interest as of the appraisal date prescribed by IC 6-4.1-5-1.5 cannot otherwise be ascertained under this chapter.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.18.

IC 6-4.1-7

Chapter 7. Review of Inheritance Tax Appraisals and Tax Determinations

IC 6-4.1-7-0.1

Application of certain amendments to chapter

Sec. 0.1. The amendments made to sections 1 and 6 of this chapter by P.L.48-1992 do not apply to a petition for rehearing or redetermination that is based on a determination or final determination made before July 1, 1992.

As added by P.L.220-2011, SEC.153.

IC 6-4.1-7-0.5

Applicability

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.11. Amended by P.L.205-2013, SEC.107.

IC 6-4.1-7-1

Rehearing

Sec. 1. A person who is dissatisfied with an inheritance tax determination made by a probate court with respect to a resident decedent's estate may obtain a rehearing on the determination. To obtain the rehearing, the person must file a petition for rehearing with the probate court within one hundred twenty (120) days after the determination is made. In the petition, the person must state the grounds for the rehearing. The probate court shall base the rehearing on evidence presented at the original hearing plus any additional evidence which the court elects to hear.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.48-1992, SEC.1.

IC 6-4.1-7-2

Reappraisal; petition; time of filing

Sec. 2. A person who is dissatisfied with an appraisal approved by a probate court with respect to a resident decedent's estate may obtain a reappraisal of the property interest involved. To obtain the reappraisal, the person must file a petition for reappraisal with the probate court within one (1) year after the court enters an order determining the inheritance tax due as a result of the decedent's death. However, if the original appraisal is fraudulently or erroneously made, the person may file the reappraisal petition within two (2) years after the court enters the order.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-7-3

Appointment of reappraiser; powers; compensation

Sec. 3. When a reappraisal petition is filed under section 2 of this

chapter, the probate court may appoint a competent person to reappraise the property interests transferred by the resident decedent under taxable transfers. An appraiser appointed by the court under this section has the same powers and duties, including the duty to give notice of the appraisal and the duty to make an appraisal report to the court, as the county inheritance tax appraiser. The appointed appraiser is entitled to receive an amount fixed by the court and approved by the department of revenue as compensation for his services. After the probate court certifies to the county treasurer the amount of compensation due the appointed appraiser, the county treasurer shall pay the appraiser from county funds not otherwise appropriated.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-7-4
Report or reappraisal; redetermination of taxes; filing of redetermination

Sec. 4. (a) After the appraiser, if any, appointed under section 3 of this chapter files his appraisal report, the probate court shall redetermine the inheritance tax due with respect to the property interests transferred by the resident decedent. In making the redetermination, the court shall follow the same procedures it is required to follow under IC 6-4.1-5-9, IC 6-4.1-5-10, and IC 6-4.1-5-11 when making an original inheritance tax determination.

(b) The probate court's redetermination of the inheritance tax due supersedes the court's original determination. The court shall file a copy of the redetermination with the clerk of the court.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.1-1991, SEC.54.

IC 6-4.1-7-5
Non-resident decedent's property; appeal of department determination; procedures

Sec. 5. (a) A person who is dissatisfied with an inheritance tax determination or an appraisal made by the department of state revenue with respect to property interests transferred by a non-resident decedent may appeal the department's decision to:

(1) the probate court of the county, if any, in which administration of the decedent's estate is pending; or

(2) the probate court of any county in which any of the decedent's property was located at the time of his death, if no administration of the decedent's estate is pending in Indiana.

(b) To initiate the appeal, the person must:

(1) file a complaint within ninety (90) days after the date that the department mails the notice required by IC 6-4.1-5-16; and

(2) pay, or give security to pay, the court cost resulting from the appeal and the inheritance tax to be fixed by the court.

(c) When an appeal is initiated under this section, the court may decide all questions concerning the fair market value of property interests transferred by the decedent or concerning the inheritance tax

due as a result of the decedent's death.
As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.19.

IC 6-4.1-7-6
Probate court determination of tax due as provisional estimate; redetermination resulting from federal estate tax valuation

Sec. 6. (a) The department of state revenue may accept a probate court's determination of the inheritance tax due as a result of a decedent's death as a provisional estimate of the inheritance tax imposed.

(b) If the final determination of federal estate tax shows a change in the fair market value of the assets of a decedent's estate or a change in deductions, the department of state revenue may petition or cause other persons to petition the probate court which has jurisdiction for a redetermination of the inheritance tax imposed as a result of the decedent's death. The petition must be filed within sixty (60) days after a copy of the final determination of federal estate tax is filed with the department as required by IC 6-4.1-4-8. An inheritance tax redetermination which is made under this section is limited to modifications based on either a change in the fair market value of the assets of the decedent's estate or a change in deductions.
As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1979, P.L.75, SEC.11; P.L.48-1992, SEC.2.

IC 6-4.1-7-7
Redetermination of inheritance tax; appeal

Sec. 7. A probate court's redetermination of inheritance tax under this chapter may be appealed to the tax court in accordance with the rules of appellate procedure.
As added by P.L.59-1990, SEC.1.

IC 6-4.1-8

Chapter 8. Inheritance Tax Lien and Limitations on the Transfer of Decedent's Property

IC 6-4.1-8-0.1

Application of certain amendments to chapter

Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The addition of section 4.6 of this chapter by P.L.26-1985 applies to property belonging to decedents who die after June 30, 1986.

(2) The amendments made to section 5 of this chapter by P.L.6-1999 apply to the estate of an individual who dies after June 30, 1999.

As added by P.L.220-2011, SEC.154.

IC 6-4.1-8-0.5

Applicability

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.12. Amended by P.L.205-2013, SEC.108.

IC 6-4.1-8-1

Attachment and termination of lien; persons liable for inheritance tax

Sec. 1. The inheritance tax imposed as a result of a decedent's death is a lien on the property transferred by the decedent. Except as otherwise provided in IC 6-4.1-6-6(b), the inheritance tax accrues and the lien attaches at the time of the decedent's death. The lien terminates when the inheritance tax is paid, when IC 6-4.1-4-0.5 provides for the termination of the lien, or ten (10) years after the date of the decedent's death, whichever occurs first. In addition to the lien, the transferee of the property and any personal representative or trustee who has possession of or control over the property are personally liable for the inheritance tax.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.252-2001, SEC.5; P.L.182-2009(ss), SEC.231.

IC 6-4.1-8-2

Transfers prohibited until tax paid; limited transfers

Sec. 2. (a) The personal representative of a decedent's estate or the trustee of property transferred by the decedent may not transfer or deliver property to a transferee unless the inheritance tax imposed with respect to the transfer has been paid.

(b) If money is transferred by the decedent to a transferee for a limited period of time, the personal representative or trustee shall retain the total inheritance tax imposed on all the interests in the money.

(c) If property other than money is transferred by the decedent to a transferee for a limited period of time, the transferees of the interests in the property shall pay to the personal representative or trustee the inheritance tax imposed on the interests. The personal representative or trustee shall apply to the appropriate probate court for a determination of the amount which each transferee is required to pay under this subsection.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-8-3
Sale of property to pay decedent's debts

Sec. 3. In order to pay the inheritance tax imposed as a result of a decedent's death, the personal representative of the decedent's estate or the trustee of property transferred by the decedent may sell property transferred by the decedent. The personal representative or trustee may sell the property in the same manner that he is authorized to sell property to pay the decedent's debts.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-8-4
Personal property; consent to transfer

Sec. 4. (a) A person who has possession of or control over personal property held jointly by a resident decedent and another person may not transfer the property to the surviving joint tenant, unless:

(1) the surviving joint tenant is the decedent's surviving spouse; or

(2) the property is money held in a joint checking account;

without the written consent of the department of state revenue or the county assessor of the county in which the resident decedent was domiciled at the time of the decedent's death.

(b) Except as provided in subsection (c), a person who has possession of or control over personal property held in a trust that is subject to the Indiana inheritance tax or estate tax (before its repeal) at the time of a resident decedent's death may not transfer the property to a beneficiary or any other person, unless the beneficiary or other person is the decedent's surviving spouse, without the written consent of the department of state revenue or the county assessor of the county in which the resident decedent was domiciled at the time of the decedent's death.

(c) A person who has possession of or control over personal property held in trust may transfer the property without the written consent of the department of state revenue or the county assessor of the county in which the resident decedent was domiciled at the time of the decedent's death under the following conditions:

(1) The transferee is domiciled in Indiana.

(2) The transferee completes a sworn affidavit on a form prescribed by the department of state revenue that states:

(A) the transfer of the personal property is not subject to Indiana inheritance tax or estate tax (before its repeal); and

(B) the reasons the transfer is not subject to tax.

(3) A copy of the affidavit required under subdivision (2) is immediately filed with the department of state revenue.

(d) A person who has possession of or control over a resident decedent's personal property (except proceeds payable under a life insurance policy) may not transfer the property to any other person, unless:

(1) the other person is the decedent's surviving spouse; or

(2) the property is money held in a checking account;

without the written consent of the department of state revenue or the county assessor of the county in which the resident decedent was domiciled at the time of the decedent's death.

(e) The department of state revenue or the appropriate county assessor may consent to a transfer if the department or the county assessor believes that the transfer will not jeopardize the collection of inheritance tax.

(f) The department of state revenue shall send a copy of any consent to transfer that it issues under this section to the county assessor of the county in which the resident decedent was domiciled at the time of the decedent's death.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1977(ss), P.L.6, SEC.8; Acts 1980, P.L.57, SEC.20; Acts 1981, P.L.91, SEC.1; P.L.59-1996, SEC.1; P.L.205-2013, SEC.109.

IC 6-4.1-8-4.5
Repealed

(Repealed by Acts 1982, P.L.57, SEC.1.)

IC 6-4.1-8-4.6
Checking account; notice of transfer of funds to person other than surviving spouse

Sec. 4.6. A person who has possession of or control over money held in a checking account in which a resident decedent had a legal interest shall notify the department or the county assessor of the county in which the resident decedent was domiciled at the time of death, when money is transferred from the account to a person, other than the resident decedent's surviving spouse.

As added by P.L.26-1985, SEC.11.

IC 6-4.1-8-5
Life insurance proceeds; damages payable in a cause of action maintained by a personal representative

Sec. 5. (a) Within ten (10) days after life insurance proceeds are paid to a resident decedent's estate, the life insurance company shall give notice of the payment to the department of state revenue.

(b) Not later than ten (10) days after damages payable under a cause of action maintained by a personal representative under IC 34-9-3-4 are paid to a resident decedent's estate, the person making the payment shall give notice of the payment to the department of state revenue.

(c) The department of state revenue shall send a copy of any notice which it receives under subsection (a) or (b) to the county assessor of the county in which the resident decedent was domiciled at the time of the resident decedent's death.
As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1977(ss), P.L.6, SEC.9; P.L.157-1992, SEC.1; P.L.6-1999, SEC.1; P.L.143-2009, SEC.2.

IC 6-4.1-8-6
Repealed
(Repealed by P.L.6-1999, SEC.2.)

IC 6-4.1-8-7
Violations of IC 6-4.1-8-4 or IC 6-4.1-8-5; penalties
Sec. 7. If a person violates a provision of section 4 or 5 of this chapter, he is liable for the taxes imposed under this article as a result of the resident decedent's death and is subject to an additional penalty not to exceed one thousand dollars ($1,000). The department of state revenue shall initiate an action in the name of this state to collect the taxes and the penalty which the person is liable for under this section.
As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.22; P.L.87-1983, SEC.6.

IC 6-4.1-8-8
Repealed
(Repealed by P.L.6-1999, SEC.2.)

IC 6-4.1-9

Chapter 9. General Inheritance Tax Collection Provisions

IC 6-4.1-9-0.1

Application of certain amendments to chapter

Sec. 0.1. The amendments made to sections 1 and 2 of this chapter by P.L.252-2001 apply to the estate of an individual who dies after June 30, 2001.

As added by P.L.220-2011, SEC.155.

IC 6-4.1-9-0.5

Applicability

Sec. 0.5. This chapter does not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.13. Amended by P.L.205-2013, SEC.110.

IC 6-4.1-9-1

Due date for taxes; interest on delinquent portion; unavoidable delays

Sec. 1. (a) Except as otherwise provided in IC 6-4.1-6-6(b), the inheritance tax imposed as a result of a decedent's death is due twelve (12) months after the person's date of death. If a person liable for payment of inheritance tax does not pay the tax on or before the due date, the person shall, except as provided in subsection (b) of this section, pay interest on the delinquent portion of the tax at the rate of ten percent (10%) per year from the date of the decedent's death to the date payment is made.

(b) If an unavoidable delay, such as necessary litigation, prevents a determination of the amount of inheritance tax due, the appropriate probate court, in the case of a resident decedent, or the department of state revenue, in the case of a non-resident decedent, may reduce the rate of interest imposed under this section, for the time period beginning on the date of the decedent's death and ending when the cause of delay is removed, to six percent (6%) per year.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.252-2001, SEC.6.

IC 6-4.1-9-1.5

Due date for taxes when petition for redetermination of inheritance taxes filed

Sec. 1.5. If inheritance tax is imposed because a petition is filed under IC 6-4.1-7-6, the inheritance tax so imposed is, notwithstanding section 1 of this chapter, not due until thirty (30) days after notice of the final determination of federal estate tax is received by a person liable for paying the inheritance tax. If any inheritance tax so imposed is not paid on or before the due date, the person liable for paying the tax shall pay interest on the delinquent tax at the rate of six percent (6%) per year from the due date until the

tax is paid.
As added by Acts 1976, P.L.19, SEC.2.

IC 6-4.1-9-2
Reduction of taxes for payment within nine months after death

Sec. 2. If the inheritance tax imposed as a result of a decedent's death is paid within nine (9) months after the person's date of death, the person making the payment is entitled to a five percent (5%) reduction in the inheritance tax due. When payment is so made, the person collecting the tax shall grant the five percent (5%) reduction to the payor.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.252-2001, SEC.7.

IC 6-4.1-9-3
Inheritance tax due as result of non-resident decedent's death; book showing tax due

Sec. 3. The department of state revenue shall maintain a book which indicates the amount of inheritance tax due as a result of a non-resident decedent's death. When the department gives an inheritance tax notice required by IC 6-4.1-5-16, the department shall concurrently enter in the book the amount of inheritance tax stated in the notice. The book required by this section is a public record.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-9-4
Tax payments resulting from non-resident decedent's death; monthly reports

Sec. 4. A person who is liable for inheritance tax imposed as a result of a non-resident decedent's death shall pay the tax to the department of state revenue. The department shall collect the tax and shall issue a receipt to the person who pays it. On the first Monday of each month, the department shall report and remit to the state treasurer the inheritance tax collected by it during the preceding month under this section. The report must indicate the estates for which the inheritance taxes were paid.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-9-5
Collection and payment of taxes; receipts

Sec. 5. (a) A person who is liable for inheritance tax imposed as a result of a resident decedent's death shall pay the tax to the treasurer of the county in which the resident decedent was domiciled at the time of the resident decedent's death. If such a person believes that more inheritance tax is due as a result of the resident decedent's death than the amount of tax determined by the court under IC 6-4.1-5-10, the person may, without obtaining another court determination, pay the additional tax and any interest due on the additional tax to the county treasurer.

(b) The county treasurer shall collect the tax, shall issue a receipt

for the tax payment in duplicate, and shall send one (1) copy of the receipt to the department of state revenue. The department shall countersign the receipt, shall affix its seal to the receipt, and shall return the signed and sealed receipt to the payor. The department shall also charge the county treasurer with the amount of inheritance tax collected by him.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1979, P.L.75, SEC.12; Acts 1980, P.L.57, SEC.23; P.L.86-1995, SEC.7.

IC 6-4.1-9-6

Apportionment of receipts between county and state; transfer to county and state

Sec. 6. (a) With respect to the inheritance tax imposed as a result of a resident decedent's death, the county in which the tax is collected shall receive eight percent (8%) of the inheritance tax paid as a result of the decedent's death. On the first day of January, April, July, and October of each year, the county treasurer shall, except as provided in subsection (b), transfer to the county general fund the amount due the county under this section. This state shall receive the remaining ninety-two percent (92%) of the inheritance taxes, all the interest charges collected by the county treasurer under section 1 or 1.5 of this chapter, and all the penalties collected by the county treasurer under IC 6-4.1-4-6.

(b) In a county having a consolidated city, the amount due the county under this section shall be transferred to the general fund of the consolidated city.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.24; Acts 1981, P.L.11, SEC.33; P.L.86-1995, SEC.8.

IC 6-4.1-9-7

County treasurer's quarterly report of collections; warrants

Sec. 7. (a) On the first day of January, April, July, and October of each year, each county treasurer shall, under oath, send a written inheritance tax report to the department of state revenue. Each report shall state the amount of inheritance taxes collected by the county treasurer during the preceding three (3) months and shall indicate the estates for which the taxes were paid, who paid the taxes, and when the taxes were paid. The county treasurer shall prepare each report on the form prescribed by the state board of accounts.

(b) On the first day of January, April, July, and October of each year, each county auditor shall issue a warrant to the state treasurer for the amount of inheritance taxes, interest charges, and penalties which the state is to receive under section 6 of this chapter. The county treasurer shall stamp and countersign the warrant. The county treasurer shall send the warrant to the department of state revenue not more than thirty (30) days after the county treasurer is required to send the related inheritance tax report for the preceding three (3) months under subsection (a).

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.30-1994, SEC.7.

IC 6-4.1-9-8
Disposition of warrant from county; quietus

Sec. 8. (a) The department of state revenue shall receipt and account for each warrant which it receives under section 7(b) of this chapter. The department shall then forward the warrant to the state treasurer. The state treasurer shall deposit the warrants in a special account within the state general fund to be known as the Inheritance Tax Account.

(b) At the end of each month, the state auditor shall issue a quietus to the department of state revenue for the money collected by the department under section 7(b) of this chapter. The state auditor shall issue the quietus under the same terms and conditions established for issuing a quietus to similar state agencies.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-9-9
Audit of quarterly reports; report and disposition of shortages and excessive payments

Sec. 9. The department of state revenue shall audit the quarterly inheritance tax reports required by section 7 of this chapter. The department shall report any shortage which it discovers to the appropriate county treasurer and county auditor. If the department notifies them of a shortage, the county treasurer and county auditor shall promptly issue a warrant to the state treasurer for the balance due the state. If the department, through its audit, discovers that an excessive payment has been made, the amount of the excess shall be refunded in the same manner that refunds are made under IC 6-4.1-10.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-9-10
Repealed

(Repealed by P.L.30-1994, SEC.8.)

IC 6-4.1-9-11
Action for failure to pay inheritance tax; payment of tax after prosecution

Sec. 11. (a) If the department of state revenue believes that a person has failed to pay inheritance tax for which the person is liable under a court order, the department may file in the appropriate probate court an action in the name of the state to enforce payment of the tax. This action must be commenced within ten (10) years after the date of the order imposing the tax unless the court has not complied with IC 6-4.1-5-11. Every person who is liable for the inheritance tax is liable to the department of state revenue for payment of the tax. The amounts collected under this section shall be distributed under section 6 of this chapter.

(b) When an action has been successfully prosecuted under this section, the person who is liable for the inheritance tax due from any property which is subject to the inheritance tax shall then pay the

amount due from the person to the department of state revenue.
As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.26-1985, SEC.12; P.L.60-1996, SEC.1.

IC 6-4.1-9-12
Appointment of resident or special administrator for non-resident decedent's estate

Sec. 12. The Probate Court of Marion County may appoint a resident or special administrator for a non-resident decedent's estate if the department of state revenue shows:

(1) that the department has reason to believe that a property interest transferred by the decedent under a taxable transfer has not been appraised for inheritance tax purposes in the manner required by this article and that the property involved is located in this state; or

(2) that the inheritance tax imposed as a result of the decedent's death, as determined by the department, has not been paid and it has been at least two (2) years since the decedent died.

A resident or special administrator appointed by the court under this section has the same powers and duties as a general administrator.
As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-9-13
Repealed

(Repealed by Acts 1979, P.L.75, SEC.15.)

IC 6-4.1-10

Chapter 10. Refund of Inheritance Tax Erroneously or Illegally Collected

IC 6-4.1-10-1

Refund for illegally or erroneously collected tax; time for filing

Sec. 1. (a) A person may file with the department of state revenue a claim for the refund of inheritance tax or Indiana estate tax (paid before its repeal) which has been erroneously or illegally collected. Except as provided in section 2 of this chapter, the person must file the claim within:

(1) three (3) years after the tax is paid; or

(2) one (1) year after the tax is finally determined under IC 6-4.1-5-10;

whichever is later.

(b) A person must file a claim for a refund on a form prescribed by the department of state revenue. The claim must include:

(1) the amount of the refund claimed; and

(2) the reason the person is entitled to a refund.

(c) The amount of the refund that a person is entitled to receive under this chapter equals the amount of the erroneously or illegally collected tax, plus interest calculated as specified in subsection (d).

(d) If a tax payment that has been erroneously or illegally collected is not refunded within ninety (90) days after the later of the date on which:

(1) the refund claim is filed with the department of state revenue; or

(2) the department of state revenue receives:

(A) the inheritance tax return and order required under IC 6-4.1-5-10, in the case of a resident decedent; or

(B) the inheritance tax return, in the case of a nonresident decedent;

interest accrues at the rate of six percent (6%) per annum computed from the date under subdivision (1) or (2), whichever applies, until the tax payment is refunded.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.25; P.L.211-2007, SEC.33; P.L.182-2009(ss), SEC.232; P.L.205-2013, SEC.111.

IC 6-4.1-10-1.5

Refunds of inheritance taxes paid with respect to an individual who dies in 2013

Sec. 1.5. (a) This section applies to a refund of inheritance taxes paid with respect to an individual whose death occurs in 2013.

(b) The entire amount of a refund must be paid by the department, including any amounts retained by a county under IC 6-4.1-9-6.

(c) If a county is eligible to receive an inheritance tax replacement amount under IC 6-4.1-11-6 in 2013, the amount of the replacement amount must be reduced by the amount of any inheritance taxes retained by the county under IC 6-4.1-9-6 with respect to an

individual whose death occurs in 2013.

(d) If a county is not eligible to receive an inheritance tax replacement amount under IC 6-4.1-11-6 in 2013, the department may deduct the amount of any inheritance taxes retained by the county under IC 6-4.1-9-6 with respect to an individual whose death occurs in 2013 from any distribution of revenue to the county.

As added by P.L.205-2013, SEC.112.

IC 6-4.1-10-2

Time limits for filing for property interests under IC 6-4.1-6

Sec. 2. The time limits prescribed in section 1 of this chapter for filing a refund claim do not apply if the claim is for the refund of inheritance tax which has been determined in the manner provided in IC 6-4.1-6.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-10-3

Orders for refund; funds from which payable; credit

Sec. 3. (a) The department of state revenue shall review each claim for refund and shall enter an order either approving, partially approving, or disapproving the refund. If the department either approves or partially approves a claim for refund, the department shall send a copy of the order to:

(1) the treasurer of the county that collected the tax, if the refund applies to inheritance tax collected as a result of a resident decedent's death; and

(2) the treasurer of state.

The treasurer of state shall pay the refund from money which is under his control and which has not otherwise been appropriated. The treasurer of state shall receive a credit for the county portion of the amount so refunded, and the county treasurer of the county owing the credit shall account for the credit on the county's inheritance tax report for the quarter in which the refund is paid.

(b) Within five (5) days after entering an order with respect to a claim for refund filed under section 1 of this chapter, the department shall send a copy of the order to the person who filed the claim.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.26; P.L.98-2000, SEC.5.

IC 6-4.1-10-4

Appeal of refund order; complaint; jurisdiction

Sec. 4. (a) A person who files a claim for the refund of inheritance tax or Indiana estate tax (paid before its repeal) may appeal any refund order which the department of state revenue enters with respect to the person's claim. To initiate the appeal, the person must, within ninety (90) days after the department enters the order, file a complaint in which the department is named as the defendant.

(b) The court which has jurisdiction over an appeal initiated under this section is:

(1) the probate court of the county in which administration of

the estate is pending, if the appeal involves either a resident or a nonresident decedent's estate and administration of the estate is pending;

(2) the probate court of the county in which the decedent was domiciled at the time of the decedent's death, if the appeal involves a resident decedent's estate and no administration of the estate is pending in Indiana; or

(3) the probate court of any county in which any of the decedent's property was located at the time of the decedent's death, if the appeal involves a nonresident decedent's estate and no administration of the estate is pending in Indiana.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.27; P.L.205-2013, SEC.113.

IC 6-4.1-10-5

Probate court determination; appeal

Sec. 5. When an appeal is initiated under section 4 of this chapter, the probate court shall determine the amount of any tax refund due. Either party may appeal the probate court's decision to the tax court in accordance with the rules of appellate procedure.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1980, P.L.57, SEC.28; P.L.59-1990, SEC.2.

IC 6-4.1-10-6

Annual appropriation to pay refund

Sec. 6. Amounts sufficient to pay the refunds provided for under this chapter are annually appropriated.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-11
Chapter 11. Indiana Estate Tax

IC 6-4.1-11-0.1
Repealed
(Repealed by P.L.205-2013, SEC.114.)

IC 6-4.1-11-1
Repealed
(Repealed by P.L.205-2013, SEC.115.)

IC 6-4.1-11-2
Repealed
(Repealed by P.L.205-2013, SEC.116.)

IC 6-4.1-11-3
Repealed
(Repealed by P.L.205-2013, SEC.117.)

IC 6-4.1-11-4
Repealed
(Repealed by P.L.205-2013, SEC.118.)

IC 6-4.1-11-5
Repealed
(Repealed by P.L.205-2013, SEC.119.)

IC 6-4.1-11-6
Collection of tax; remittance; deposit; distribution to counties

Sec. 6. (a) The department of state revenue shall collect the Indiana estate tax and the interest charges imposed under this chapter. The department shall remit the money which it collects under this chapter to the state treasurer, and the state treasurer shall deposit the money in the state general fund.

(b) Before August 15, 2013, the treasurer of state shall distribute an inheritance tax replacement amount to each county eligible to receive a distribution as determined under this subsection with respect to inheritance tax collections in the state fiscal year that began on July 1, 2012. The amount of the inheritance tax replacement amount, if any, for each county is determined as follows:

STEP ONE: Determine the inheritance tax replacement amount distributed to the county in 2012, if any, with respect to inheritance tax collections in the state fiscal year that began on July 1, 2011.

STEP TWO: Multiply the STEP ONE amount by ninety-one percent (91%).

STEP THREE: Determine the difference between:

(A) the STEP TWO result; minus

(B) the amount of any inheritance taxes retained by the county under IC 6-4.1-9-6 with respect to a resident

decedent's death occurring in 2013.

There is appropriated from the state general fund the amount necessary to make the distributions under this subsection.

(c) A county is not entitled to a distribution under subsection (b) for a state fiscal year beginning after June 30, 2013.

As added by Acts 1976, P.L.18, SEC.1. Amended by P.L.254-1997(ss), SEC.11; P.L.157-2012, SEC.14; P.L.205-2013, SEC.120.

IC 6-4.1-11-7
Repealed

(Repealed by P.L.205-2013, SEC.121.)

IC 6-4.1-11.5
Repealed

(Repealed by P.L.205-2013, SEC.122.)

IC 6-4.1-12

Chapter 12. General Administrative Provisions

IC 6-4.1-12-0.5

Inheritance tax not imposed on a transfer of property resulting from the death of an individual who dies after December 31, 2012

Sec. 0.5. (a) For an individual who dies after December 31, 2012, there is no inheritance tax imposed on the decedent's transfer of property interests.

(b) Sections 1 through 12 of this chapter do not apply to a property interest transferred by a decedent whose death occurs after December 31, 2012.

As added by P.L.157-2012, SEC.15. Amended by P.L.205-2013, SEC.123.

IC 6-4.1-12-1

Jurisdiction of probate court to determine inheritance tax

Sec. 1. The probate court of the county:

(1) in which a resident decedent was domiciled at the time of the decedent's death; or

(2) in which the resident decedent's estate is being administered, if different from the county described in subdivision (1);

has jurisdiction to determine the inheritance tax imposed as a result of the resident decedent's death and to hear all matters related to the tax determination. However, if two (2) or more courts in a county have probate jurisdiction, the first court acquiring jurisdiction under this article acquires exclusive jurisdiction over the inheritance tax determination.

As added by Acts 1976, P.L.18, SEC.1. Amended by Acts 1977(ss), P.L.6, SEC.11; P.L.86-1995, SEC.9.

IC 6-4.1-12-2

County assessor as inheritance tax appraiser; appointment of other; fees

Sec. 2. Each county assessor shall serve as the county inheritance tax appraiser for the county he serves. However, the appropriate probate court shall appoint a competent and qualified resident of the county to appraise property transferred by a resident decedent if the county assessor is:

(1) beneficially interested as an heir of the decedent's estate;

(2) the personal representative of the decedent's estate; or

(3) related to the decedent or a beneficiary of the decedent's estate within the third degree of consanguinity or affinity.

A person who is appointed to act as the county inheritance tax appraiser under this section shall receive a fee for his services. The court, subject to the approval of the department of state revenue, shall set the fee.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-3

Repealed

(Repealed by Acts 1982, P.L.1, SEC.71.)

IC 6-4.1-12-4

Equipment costs

Sec. 4. The county assessor shall receive funds from the county to pay the actual cost of equipment which he needs to perform the duties assigned to him under this article.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-5

Compromise agreements concerning tax or interest on delinquency

Sec. 5. (a) If one (1) of the conditions listed in subsection (b) of this section exists, the department of state revenue may, with the advice and approval of the attorney general, enter into a compromise agreement concerning the amount of any inheritance tax, or interest charges on delinquent inheritance tax, to be collected under this article. The department may enter into such an agreement with the personal representative of a decedent's estate or with the transferee of property transferred by the decedent.

(b) The department may enter into a compromise agreement under this section only if the department and the attorney general believe that a substantial doubt exists as to:

(1) the right to impose the tax under applicable Indiana law;

(2) the constitutionality, under either the Indiana or United States Constitutions, of the imposition of the tax;

(3) the correct value of property transferred under a taxable transfer;

(4) the correct amount of tax due;

(5) the collectability of the tax; or

(6) whether the decedent was a resident or a non-resident of this state.

(c) After payment of the inheritance tax agreed to by the parties to a compromise agreement entered into under this section, the issue of the amount of tax to be collected may be reopened only if the agreement was entered into fraudulently.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-6

Powers and duties of department of state revenue

Sec. 6. The department of state revenue:

(1) shall supervise the enforcement of this article;

(2) shall supervise the collection of taxes imposed under this article;

(3) shall investigate the manner in which this article is administered and enforced in the various counties of this state;

(4) shall provide the forms and books required to implement this article;

(5) shall promulgate any rules or regulations which are necessary for the interpretation or the enforcement of this

article;

(6) may investigate any facts or circumstances which are relevant to the taxes imposed under this article;

(7) shall provide the inheritance tax administrator with a secretary; and

(8) may provide the inheritance tax administrator with assistants, clerks, or stenographers.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-6.5

Determination of department of state revenue resulting in tax increase; statement in rules

Sec. 6.5. All changes in the department of state revenue's interpretations of IC 6-4.1 that could increase a person's tax liability must be stated in rules promulgated under IC 4-22-2. In no event may a change in a departmental interpretation of IC 6-4.1 that could increase a person's tax liability take effect before the date on which it is promulgated in a rule.

As added by Acts 1979, P.L.75, SEC.14.

IC 6-4.1-12-7

Investigative powers of department of state revenue; witness fees

Sec. 7. For the purpose of conducting an investigation described under clause (3) or clause (6) of section 6 of this chapter, the department of state revenue may:

(1) subpoena evidence;

(2) subpoena witnesses;

(3) administer oaths; or

(4) take testimony concerning any matter.

Each witness examined by the department is entitled to receive a fee equal to the same fee paid witnesses subpoenaed to appear before a court of record. The witness fee shall be paid in the same manner that erroneous tax payments are refunded under IC 6-4.1-10.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-8

Inheritance tax administrator; appointment; salary

Sec. 8. The governor shall, with the advice of the department of state revenue, appoint a state inheritance tax administrator. The inheritance tax administrator shall receive a salary to be fixed in the manner prescribed in IC 4-12-1-13. In addition, he shall receive the same mileage and travel allowances which other state employees receive.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-9

Powers and duties of inheritance tax administrator

Sec. 9. The inheritance tax administrator:

(1) shall supervise the administration of this article;

(2) shall, on behalf of the department of state revenue, perform

the administrative duties assigned to the department under this article;

(3) shall file reports with the department of state revenue on the first day of January, April, July, and October of each year;

(4) may, with the approval of the governor, employ special auditors or appraisers to appraise any property interest which is transferred by a decedent under a taxable transfer; and

(5) may, with the approval of the governor, employ special counsel to advise the administrator or to represent the administrator or the department of state revenue in any proceeding initiated by or against the administrator or the department.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-10

Special auditor, appraiser, or counsel; compensation

Sec. 10. A special auditor, appraiser, or counsel appointed by the inheritance tax administrator under section 9 of this chapter shall receive compensation for his services in an amount fixed by the administrator and the governor. When a claim for the compensation is approved by the administrator and the governor, the state auditor shall issue a warrant to the claimant in the amount so approved. The state auditor shall draw the warrant on taxes collected under this article. The state treasurer shall pay the warrant.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-11

Information and investigations concerning non-resident's estates

Sec. 11. The department of state revenue and the inheritance tax administrator shall gather information and make investigations concerning the estates of non-residents whose deaths result in the imposition of a tax under this article.

As added by Acts 1976, P.L.18, SEC.1.

IC 6-4.1-12-12

Disclosure of inheritance tax information; offense

Sec. 12. (a) The department, the department's counsel, agents, clerks, stenographers, other employees, or former employees, or any other person who gains access to the inheritance tax files shall not divulge any information disclosed by the documents required to be filed under this article. However, disclosure may be made in the following cases:

(1) To comply with an order of a court.

(2) To the members and employees of the department.

(3) To the members and employees of county offices and courts to the extent they need the information for inheritance tax purposes. IC 5-14-3-6.5 does not apply to this subdivision.

(4) To the governor.

(5) To the attorney general.

(6) To any other legal representative of the state in any action

pertaining to the tax due under this article.

(7) To any authorized officer of the United States, when the recipient agrees that the information is confidential and will be used solely for official purposes.

(8) Upon the receipt of a certified request, to any designated officer of a tax department of any other state, district, territory, or possession of the United States, when the state, district, territory, or possession permits the exchange of like information with the taxing officials of Indiana and when the recipient agrees that the information is confidential and will be used solely for tax collection purposes.

(9) Upon receipt of a written request, to the director of the department of child services or to the director of the division of family resources and to any county director of family and children, when the recipient agrees that the information is confidential and will be used only in connection with their official duties.

(10) To the attorney listed on the inheritance tax return under IC 6-4.1-4-1 or IC 6-4.1-4-7.

(11) To a devisee, an heir, a successor in interest, or a surviving joint tenant of the decedent for whom an inheritance tax return was filed or, upon the receipt of a written request, to an agent or attorney of a devisee, an heir, a successor in interest, or a surviving joint tenant of the decedent.

(b) Any person who knowingly violates this section:

(1) commits a Class C misdemeanor; and

(2) shall be immediately dismissed from the person's office or employment, if the person is an officer or employee of the state.

As added by P.L.26-1985, SEC.13. Amended by P.L.67-1988, SEC.3; P.L.58-1990, SEC.4; P.L.2-1992, SEC.70; P.L.4-1993, SEC.10; P.L.5-1993, SEC.22; P.L.145-2006, SEC.18.

IC 6-5

ARTICLE 5. REPEALED

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-5.1

ARTICLE 5.1. REPEALED

(Repealed by P.L.80-1989, SEC.18.)

IC 6-5.5

ARTICLE 5.5. TAXATION OF FINANCIAL INSTITUTIONS

IC 6-5.5-1

Chapter 1. Definitions

IC 6-5.5-1-1

Application of definitions

Sec. 1. The definitions in this chapter apply throughout this article.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-2

"Adjusted gross income"

Sec. 2. (a) Except as provided in subsections (b) through (d), "adjusted gross income" means taxable income as defined in Section 63 of the Internal Revenue Code, adjusted as follows:

(1) Add the following amounts:

(A) An amount equal to a deduction allowed or allowable under Section 166, Section 585, or Section 593 of the Internal Revenue Code.

(B) An amount equal to a deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(C) An amount equal to a deduction or deductions allowed or allowable under Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by a state of the United States or levied at the local level by any subdivision of a state of the United States.

(D) The amount of interest excluded under Section 103 of the Internal Revenue Code or under any other federal law, minus the associated expenses disallowed in the computation of taxable income under Section 265 of the Internal Revenue Code.

(E) An amount equal to the deduction allowed under Section 172 or 1212 of the Internal Revenue Code for net operating losses or net capital losses.

(F) For a taxpayer that is not a large bank (as defined in Section 585(c)(2) of the Internal Revenue Code), an amount equal to the recovery of a debt, or part of a debt, that becomes worthless to the extent a deduction was allowed from gross income in a prior taxable year under Section 166(a) of the Internal Revenue Code.

(G) Add the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(H) Add the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(I) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(J) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(K) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(L) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(M) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(N) Add or subtract the amount necessary to make the

adjusted gross income of any taxpayer that treated a loss from the sale or exchange of preferred stock in:

(i) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(ii) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.);

as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

(O) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code for active financing income under Subpart F, Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(2) Subtract the following amounts:

(A) Income that the United States Constitution or any statute of the United States prohibits from being used to measure the tax imposed by this chapter.

(B) Income that is derived from sources outside the United States, as defined by the Internal Revenue Code.

(C) An amount equal to a debt or part of a debt that becomes worthless, as permitted under Section 166(a) of the Internal Revenue Code.

(D) An amount equal to any bad debt reserves that are included in federal income because of accounting method changes required by Section 585(c)(3)(A) or Section 593 of the Internal Revenue Code.

(E) The amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation.

(F) The amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(G) Income that is:

(i) exempt from taxation under IC 6-3-2-21.7; and

(ii) included in the taxpayer's taxable income under the

Internal Revenue Code.

(H) This clause does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year. For a taxable year beginning after June 30, 2011, add the amount of any trade or business deduction allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

(b) In the case of a credit union, "adjusted gross income" for a taxable year means the total transfers to undivided earnings minus dividends for that taxable year after statutory reserves are set aside under IC 28-7-1-24.

(c) In the case of an investment company, "adjusted gross income" means the company's federal taxable income plus the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011, multiplied by the quotient of:

(1) the aggregate of the gross payments collected by the company during the taxable year from old and new business upon investment contracts issued by the company and held by residents of Indiana; divided by

(2) the total amount of gross payments collected during the taxable year by the company from the business upon investment contracts issued by the company and held by persons residing within Indiana and elsewhere.

(d) As used in subsection (c), "investment company" means a person, copartnership, association, limited liability company, or corporation, whether domestic or foreign, that:

(1) is registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and

(2) solicits or receives a payment to be made to itself and issues in exchange for the payment:

(A) a so-called bond;

(B) a share;

(C) a coupon;

(D) a certificate of membership;

(E) an agreement;

(F) a pretended agreement; or

(G) other evidences of obligation;

entitling the holder to anything of value at some future date, if the gross payments received by the company during the taxable year on outstanding investment contracts, plus interest and dividends earned on those contracts (by prorating the interest

and dividends earned on investment contracts by the same proportion that certificate reserves (as defined by the Investment Company Act of 1940) is to the company's total assets) is at least fifty percent (50%) of the company's gross payments upon investment contracts plus gross income from all other sources except dividends from subsidiaries for the taxable year. The term "investment contract" means an instrument listed in clauses (A) through (G).

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.15; P.L.68-1991, SEC.1; P.L.8-1993, SEC.94; P.L.28-1997, SEC.20; P.L.119-1998, SEC.13; P.L.273-1999, SEC.52; P.L.105-2003, SEC.4; P.L.246-2005, SEC.75; P.L.223-2007, SEC.5; P.L.182-2009(ss), SEC.233; P.L.229-2011, SEC.94; P.L.171-2011, SEC.7; P.L.172-2011, SEC.80; P.L.6-2012, SEC.56; P.L.205-2013, SEC.124.

IC 6-5.5-1-3
"Business of a financial institution"

Sec. 3. "Business of a financial institution" has the meaning set forth in section 17(d) of this chapter.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-4
"Commercial domicile"

Sec. 4. "Commercial domicile" means:

(1) for a regulated financial corporation:

(A) the taxing jurisdiction under the laws of which it is organized; or

(B) if it is organized under the laws of the United States, the place designated as its principal office with the regulatory authority;

(2) if it is a foreign bank, the state where it has established a federal agency or federal branch under Section 4 of the International Banking Act of 1978 (12 U.S.C. 3102) or if it transacts business in more than one (1) state, its home state as provided in Section 5(c) of the International Banking Act of 1978 (12 U.S.C. 3103(c)); or

(3) for all other entities, the principal place from which the trade or business of the entity is directed or managed.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-5
"Compensation"

Sec. 5. "Compensation" means wages, salaries, commissions, and any other form of remuneration paid to employees for personal services.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-6
"Corporation"

Sec. 6. "Corporation" means an entity that is:

(1) a corporation (as defined in Internal Revenue Code Section 7701(a)(3)) for federal income tax purposes, including an entity taxed as a corporation under the Internal Revenue Code; and

(2) organized under the laws of the United States, this state, any other taxing jurisdiction, or a foreign government.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.16.

IC 6-5.5-1-7
"Department"

Sec. 7. "Department" refers to the department of state revenue.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-8
"Employee"

Sec. 8. "Employee" has the same meaning as it has for purposes of federal income tax withholding under Sections 3401 through 3404 of the Internal Revenue Code.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-9
"Foreign bank"

Sec. 9. "Foreign bank" means an entity organized under the laws of a foreign country, a territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands that engages in the business of a financial institution or a subsidiary or affiliate organized under those laws of such an entity. The term includes foreign commercial banks, foreign merchant banks, and other foreign institutions that engage in banking activities that are usually in connection with the business of a financial institution in the countries where the foreign institutions are organized or operating.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-10
"Gross income"

Sec. 10. "Gross income" means gross income (as defined in Section 61 of the Internal Revenue Code) for federal income tax purposes.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-11
"Internal Revenue Code"

Sec. 11. "Internal Revenue Code" has the meaning set forth in IC 6-3-1-11.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-12
"Nonresident taxpayer"

Sec. 12. "Nonresident taxpayer" means a taxpayer that:

(1) is transacting business within Indiana, as provided in IC 6-5.5-3; and
(2) has its commercial domicile outside Indiana.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.68-1991, SEC.2.

IC 6-5.5-1-13
"Resident taxpayer"

Sec. 13. "Resident taxpayer" means a taxpayer that:
(1) is transacting business within Indiana, as provided in IC 6-5.5-3; and
(2) has its commercial domicile in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-14
"Subsidiary"

Sec. 14. "Subsidiary" means:
(1) a corporation fifty percent (50%) or more of whose voting stock; or
(2) an entity other than a corporation that is taxed as a corporation under the Internal Revenue Code and fifty percent (50%) of whose net worth;

is owned by another legal entity.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.17.

IC 6-5.5-1-15
"Taxable year"

Sec. 15. "Taxable year", with respect to a taxpayer, means the taxable year of the taxpayer as shown on the taxpayer's return required to be filed under the Internal Revenue Code. If a taxpayer does not file a return under the Internal Revenue Code, the taxpayer's taxable year is the calendar year.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-16
"Taxing jurisdiction"

Sec. 16. "Taxing jurisdiction" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-1-17
"Taxpayer"

Sec. 17. (a) "Taxpayer" means a corporation that is transacting the business of a financial institution in Indiana, including any of the following:
(1) A holding company.
(2) A regulated financial corporation.
(3) A subsidiary of a holding company or regulated financial

corporation.

(4) Any other corporation organized under the laws of the United States, this state, another taxing jurisdiction, or a foreign government that is carrying on the business of a financial institution.

(b) As used in this section, "holding company" means a corporation registered under the Bank Holding Company Act of 1956 (12 U.S.C. 1841 through 1849), as in effect on December 31, 1990, or registered as a savings and loan holding company other than a diversified savings and loan holding company (as defined in Section 10(a)(F) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1467a(1)(F)), as in effect on December 31, 1990).

(c) As used in this section, "regulated financial corporation" means:

(1) an institution, the deposits, shares, or accounts of which are insured under the Federal Deposit Insurance Act (12 U.S.C. 1811 through 1833e), as in effect on December 31, 1990;

(2) an institution that is a member of a Federal Home Loan Bank;

(3) any other bank or thrift institution incorporated or organized under the laws of a state that is engaged in the business of receiving deposits;

(4) a credit union incorporated and organized under the laws of this state;

(5) a production credit association organized under 12 U.S.C. 2071, as in effect on December 31, 1990;

(6) a corporation organized under 12 U.S.C. 611 through 631 (an Edge Act corporation), as in effect on December 31, 1990;

(7) a federal or state agency or branch of a foreign bank (as defined in 12 U.S.C. 3101, as in effect on December 31, 1990); or

(8) a trust company formed under IC 28-12.

(d) For purposes of this section and when used in this article, "business of a financial institution" means the following:

(1) For a holding company, a regulated financial corporation, or a subsidiary of either, the activities that each is authorized to perform under federal or state law, including the activities authorized by regulation or order of the Federal Reserve Board for such a subsidiary under Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)), as in effect on December 31, 1990.

(2) For any other corporation described in subsection (a)(4), all of the corporation's business activities if eighty percent (80%) or more of the corporation's gross income, excluding extraordinary income, is derived from one (1) or more of the following activities:

(A) Making, acquiring, selling, or servicing loans or extensions of credit. For the purpose of this subdivision, loans and extensions of credit include:

(i) secured or unsecured consumer loans;

(ii) installment obligations;
(iii) mortgage or other secured loans on real estate or tangible personal property;
(iv) credit card loans;
(v) secured and unsecured commercial loans of any type;
(vi) letters of credit and acceptance of drafts;
(vii) loans arising in factoring; and
(viii) any other transactions with a comparable economic effect.

(B) Leasing or acting as an agent, broker, or advisor in connection with leasing real and personal property that is the economic equivalent of the extension of credit if the transaction is not treated as a lease for federal income tax purposes.

(C) Operating a credit card, debit card, charge card, or similar business.

As used in this subdivision, "gross income" includes income from interest, fees, penalties, a market discount or other type of discount, rental income, the gain on a sale of intangible or other property evidencing a loan or extension of credit, and dividends or other income received as a means of furthering the activities set out in this subdivision.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.18; P.L.8-1991, SEC.4; P.L.68-1991, SEC.3; P.L.1-1992, SEC.18; P.L.119-1998, SEC.14.

IC 6-5.5-1-18
"Unitary business"

Sec. 18. (a) "Unitary business" means business activities or operations that are of mutual benefit, dependent upon, or contributory to one another, individually or as a group, in transacting the business of a financial institution. The term may be applied within a single legal entity or between multiple entities and without regard to whether each entity is a corporation, a partnership, a limited liability company, or a trust, provided that each member is either a holding company, a regulated financial corporation, a subsidiary of either, a corporation that conducts the business of a financial institution under IC 6-5.5-1-17(d)(2), or any other entity, regardless of its form, that conducts activities that would constitute the business of a financial institution under IC 6-5.5-1-17(d)(2) if the activities were conducted by a corporation. The term "unitary group" includes those entities that are engaged in a unitary business transacted wholly or partially within Indiana. However, the term does not include an entity that does not transact business in Indiana.

(b) Unity is presumed whenever there is unity of ownership, operation, and use evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction among entities that are members of the unitary group, as described in subsection (a). However, the absence of these centralized activities does not necessarily evidence a nonunitary

business.

(c) Unity of ownership, when a corporation is involved, does not exist unless that corporation is a member of a group of two (2) or more business entities and more than fifty percent (50%) of the voting stock of each member of the group is directly or indirectly owned by:

(1) a common owner or common owners, either corporate or noncorporate; or

(2) one (1) or more of the member corporations of the group.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.19; P.L.8-1993, SEC.95; P.L.129-2001, SEC.8.

IC 6-5.5-1-19
"Partnership"

Sec. 19. "Partnership" means an association of two (2) or more entities formed to conduct a business, including but not limited to;

(1) a limited partnership, a syndicate, a group, a pool, a joint venture, or an incorporated association; or

(2) a similar entity if the income for federal income tax purposes is taxed to the equity participants in that business, however characterized.

As added by P.L.21-1990, SEC.20.

IC 6-5.5-1-20
"Bonus depreciation"

Sec. 20. As used in this article, "bonus depreciation" means an amount equal to that part of any depreciation allowance allowed in computing the taxpayer's federal taxable income that is attributable to the additional first-year special depreciation allowance (bonus depreciation) for qualified property allowed under Section 168(k) of the Internal Revenue Code, including the special depreciation allowance for 50-percent bonus depreciation property.

As added by P.L.105-2003, SEC.5. Amended by P.L.246-2005, SEC.76.

IC 6-5.5-2

Chapter 2. Imposition of Tax

IC 6-5.5-2-1

Computation of franchise tax

Sec. 1. (a) There is imposed on each taxpayer a franchise tax measured by the taxpayer's apportioned income for the privilege of exercising its franchise or the corporate privilege of transacting the business of a financial institution in Indiana. The amount of the tax for a taxable year shall be determined by multiplying the applicable rate under subsection (b) times the remainder of:

(1) the taxpayer's apportioned income; minus

(2) the taxpayer's deductible Indiana net operating losses as determined under this section; minus

(3) the taxpayer's net capital losses minus the taxpayer's net capital gains computed under the Internal Revenue Code for each taxable year or part of a taxable year beginning after December 31, 1989, multiplied by the apportionment percentage applicable to the taxpayer under this chapter for the taxable year of the loss.

A net capital loss for a taxable year is a net capital loss carryover to each of the five (5) taxable years that follow the taxable year in which the loss occurred.

(b) The following are the applicable tax rates to be used under subsection (a):

(1) For taxable years beginning before January 1, 2014, eight and five-tenths percent (8.5%).

(2) For taxable years beginning after December 31, 2013, and before January 1, 2015, eight percent (8.0%).

(3) For taxable years beginning after December 31, 2014, and before January 1, 2016, seven and five-tenths percent (7.5%).

(4) For taxable years beginning after December 31, 2015, and before January 1, 2017, seven percent (7.0%).

(5) For taxable years beginning after December 31, 2016, and before January 1, 2019, six and five-tenths percent (6.5%).

(6) For taxable years beginning after December 31, 2018, and before January 1, 2020, six and twenty-five hundredths percent (6.25%).

(7) For taxable years beginning after December 31, 2019, and before January 1, 2021, six percent (6.0%).

(8) For taxable years beginning after December 31, 2020, and before January 1, 2022, five and five-tenths percent (5.5%).

(9) For taxable years beginning after December 31, 2021, and before January 1, 2023, five percent (5.0%).

(10) For taxable years beginning after December 31, 2022, four and nine-tenths percent (4.9%).

(c) The amount of net operating losses deductible under subsection (a) is an amount equal to the net operating losses computed under the Internal Revenue Code, adjusted for the items set forth in IC 6-5.5-1-2, that are:

(1) incurred in each taxable year, or part of a year, beginning after December 31, 1989; and

(2) attributable to Indiana.

(d) The following apply to determining the amount of net operating losses that may be deducted under subsection (a):

(1) The amount of net operating losses that is attributable to Indiana is the taxpayer's total net operating losses under the Internal Revenue Code for the taxable year of the loss, adjusted for the items set forth in IC 6-5.5-1-2, multiplied by the apportionment percentage applicable to the taxpayer under this chapter for the taxable year of the loss.

(2) A net operating loss for any taxable year is a net operating loss carryover to each of the fifteen (15) taxable years that follow the taxable year in which the loss occurred.

(e) The following provisions apply to a combined return computing the tax on the basis of the income of the unitary group when the return is filed for more than one (1) taxpayer member of the unitary group for any taxable year:

(1) Any net capital loss or net operating loss attributable to Indiana in the combined return shall be prorated between each taxpayer member of the unitary group by the quotient of:

(A) the receipts of that taxpayer member attributable to Indiana under section 4 of this chapter; divided by

(B) the receipts of all taxpayer members of the unitary group attributable to Indiana.

(2) The net capital loss or net operating loss for that year, if any, to be carried forward to any subsequent year shall be limited to the capital gains or apportioned income for the subsequent year of that taxpayer, determined by the same receipts formula set out in subdivision (1).

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.21; P.L.68-1991, SEC.4; P.L.1-1992, SEC.19; P.L.6-2000, SEC.1; P.L.93-2013, SEC.5; P.L.80-2014, SEC.10.

IC 6-5.5-2-2
Repealed

(Repealed by P.L.6-2000, SEC.5.)

IC 6-5.5-2-3
Apportioned income of taxpayer not filing combined return

Sec. 3. For a taxpayer that is not filing a combined return, the taxpayer's apportioned income consists of the taxpayer's adjusted gross income for that year multiplied by the quotient of:

(1) the taxpayer's total receipts attributable to transacting business in Indiana, as determined under IC 6-5.5-4; divided by

(2) the taxpayer's total receipts from transacting business in all taxing jurisdictions, as determined under IC 6-5.5-4.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.6-2000, SEC.2.

IC 6-5.5-2-4
Apportioned income of taxpayer filing combined return for unitary group

Sec. 4. For a taxpayer filing a combined return for its unitary group, the group's apportioned income for a taxable year consists of:

(1) the aggregate adjusted gross income, from whatever source derived, of the members of the unitary group; multiplied by

(2) the quotient of:

(A) all the receipts of the taxpayer members of the unitary group that are attributable to transacting business in Indiana; divided by

(B) the receipts of all the members of the unitary group from transacting business in all taxing jurisdictions.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.68-1991, SEC.5; P.L.6-2000, SEC.3.

IC 6-5.5-2-5
Repealed

(Repealed by P.L.6-2000, SEC.5.)

IC 6-5.5-2-5.3
Repealed

(Repealed by P.L.6-2000, SEC.5.)

IC 6-5.5-2-6
Credit for nonresident taxpayer

Sec. 6. (a) A nonresident taxpayer is entitled to a credit against the tax due under this article for the amount of net income tax, franchise tax, or other tax measured by net income that is due to the nonresident taxpayer's domiciliary state for a taxable year if:

(1) the receipt of interest or other income from a loan or loan transaction is attributed both to the taxpayer's domiciliary state under that state's laws and also to Indiana under IC 6-5.5-4; and

(2) the principal amount of the loan is at least two million dollars ($2,000,000).

(b) The amount of the credit for each taxable year is the lesser of:

(1) the portion of the net income tax, franchise tax, or other tax measured by net income actually paid by the nonresident taxpayer to its domiciliary state that is attributable to the loan or loan transaction; or

(2) the portion of the franchise tax due to Indiana under this article that is attributable to the loan or loan transaction.

The amount determined under subdivisions (1) and (2) shall be reduced by the amount of any credit for the tax due from the nonresident taxpayer under this article (calculated without the allowance for the credit provided under this section) and that may be used by the nonresident taxpayer in calculating the income tax due under the laws of the nonresident taxpayer's domiciliary state.

(c) As used in this section:

(1) "loan" or "loan transaction" refers to an obligation created in

a single transaction to pay or repay a sum of money attributed as provided in subsection (a)(1);

(2) the "principal amount" of a loan is limited to the principal amount specified in the loan documents at the time of making the loan and reasonably expected to be advanced during the term of the loan, even though there is more than one (1) advancement. If the loan is a participation loan (as defined in IC 6-5.5-4-13), the principal amount must be calculated separately for each participant and is equal to that portion of the loan committed by each participant; and

(3) a "taxpayer's domiciliary state" is the taxing jurisdiction in which its commercial domicile is located.

(d) The amount of tax attributable to a loan or loan transaction, under the laws of the taxpayer's domiciliary state or under this article, is the portion of the total tax due to each state in an amount equal to the same proportion as the receipts from the loan or loan transaction bear to the total of the taxpayer's receipts.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.24; P.L.68-1991, SEC.7.

IC 6-5.5-2-7

Exemptions

Sec. 7. Notwithstanding any other provision of this article, there is no tax imposed on the adjusted gross income or apportioned income of the following:

(1) Insurance companies subject to the tax under any of the following:

(A) IC 27-1-18-2.

(B) IC 27-1-2-2.3.

(C) IC 6-3.

(2) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System).

(3) Any corporation that is exempt from income tax under Section 1363 of the Internal Revenue Code.

(4) Any corporation exempt from federal income taxation under the Internal Revenue Code, except for the corporation's unrelated business income. However, this exemption does not apply to a corporation exempt from federal income taxation under Section 501(c)(14) of the Internal Revenue Code.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.25; P.L.68-1991, SEC.8; P.L.1-2003, SEC.47; P.L.269-2003, SEC.11; P.L.129-2014, SEC.2.

IC 6-5.5-2-8

Partnerships; grantor or beneficiary of a trust; information return; withholding

Sec. 8. (a) If a corporation is:

(1) transacting the business of a financial institution (as defined in IC 6-5.5-1-17(d)); and

(2) is a partner in a partnership or the grantor and beneficiary of

a trust transacting business in Indiana and the partnership or trust is conducting in Indiana an activity or activities that would constitute the business of a financial institution if transacted by a corporation;

the corporation is a taxpayer under this article and shall, in calculating the corporation's tax liability under this article, include in the corporation's adjusted or apportioned income the corporation's percentage of the partnership or trust adjusted gross income or apportioned income.

(b) A partnership or trust covered by subsection (a):

(1) shall file an information return on an appropriate schedule, with capital and operating losses, modifications, and credits required by this article and any other items specified in the return form by the department. If the taxpayer is a nonresident, or is a member of a unitary group with nonresident members filing a combined return, the return must show the apportionment percentage and supporting amounts necessary to compute the tax under IC 6-5.5-4. A partner's percentage share of the receipts of a taxpayer, for the purpose of apportionment, shall be calculated by using the partner's share of the partnership adjusted gross income;

(2) is subject to the provisions of IC 6-5.5-7-3 relating to taxpayers and IC 6-5.5-7-4 relating to persons when filing the information return; and

(3) shall withhold from all nonresident corporate partners or beneficiaries an amount prescribed in withholding instructions issued by the department. The amount required to be withheld shall be based upon the rate of tax prescribed in IC 6-5.5-2, unless the partner or beneficiary provides the partnership or trust with a written declaration that the partner or beneficiary is not subject to the tax. In such a case the amount withheld shall be the amount prescribed in the withholding instructions issued by the department based upon the Indiana adjusted gross income tax rates. The department shall issue procedures and directions for the withholding required by this subsection that are similar to those contained in IC 6-3-4 concerning the withholding of taxes.

As added by P.L.21-1990, SEC.26. Amended by P.L.68-1991, SEC.9.

IC 6-5.5-3

Chapter 3. Business Transaction Rules

IC 6-5.5-3-1

Transacting business within state

Sec. 1. For the purposes of this article, a taxpayer is transacting business within Indiana in a taxable year only if the taxpayer:

(1) maintains an office in Indiana;

(2) has an employee, representative, or independent contractor conducting business in Indiana;

(3) regularly sells products or services of any kind or nature to customers in Indiana that receive the product or service in Indiana;

(4) regularly solicits business from potential customers in Indiana;

(5) regularly performs services outside Indiana that are consumed within Indiana;

(6) regularly engages in transactions with customers in Indiana that involve intangible property, including loans, but not property described in section 8(5) of this chapter, and result in receipts flowing to the taxpayer from within Indiana;

(7) owns or leases tangible personal or real property located in Indiana; or

(8) regularly solicits and receives deposits from customers in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-3-2

Maintains office

Sec. 2. For purposes of this chapter, a taxpayer is considered to maintain an office wherever the taxpayer has established a regular, continuous, and fixed place of business.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-3-3

Conducting business

Sec. 3. An employee, representative, or independent contractor is considered to be conducting business in Indiana if:

(1) the employee, representative, or independent contractor is regularly engaged in the business of the taxpayer in Indiana;

(2) the office from which the employee's, representative's, or independent contractor's activities are directed or controlled is located in Indiana and a majority of the employee's, representative's, or independent contractor's service is not performed in any other taxing jurisdiction; or

(3) a contribution to the Indiana employment security fund is required under IC 22-4-2 with respect to compensation paid to the employee.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.27.

IC 6-5.5-3-4
Regularly solicit business; presumption

Sec. 4. A person is presumed, subject to rebuttal, to regularly solicit business within Indiana if:

(1) the person conducts activities described in section 1(3), 1(5), and 1(6) of this chapter with twenty (20) or more customers within Indiana during the taxable year; or

(2) the sum of the person's assets, including the assets arising from loan transactions, and the absolute value of the person's deposits attributable to Indiana equal at least five million dollars ($5,000,000).

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.28; P.L.68-1991, SEC.10.

IC 6-5.5-3-5
Tangible assets, intangible assets, and deposits attributable to state

Sec. 5. For purposes of this chapter, tangible assets are attributable to this state if they are located in Indiana. Intangible assets are attributable to this state if the income earned on those assets is attributable to this state under this article. Deposits are attributed to this state if they are deposits made by this state or residents, political subdivisions, or agencies and instrumentalities of this state regardless of whether the deposits are accepted or maintained by the taxpayer at locations within Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-3-6
Tangible property; located in state

Sec. 6. Except as otherwise provided in section 7 of this chapter, tangible property, including leased property, is considered to be located in Indiana if the property is physically situated in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-3-7
Moving property; located in state

Sec. 7. For purposes of this article, tangible personal property that is characteristically moving property, such as motor vehicles, rolling stock, aircraft, vessels, and mobile equipment, is considered to be located in Indiana if:

(1) the operation of the property is entirely in Indiana; or

(2) the operation of the property is not entirely in Indiana and:

(A) the operation outside Indiana is occasional and incidental to the operation in Indiana;

(B) the principal base of operations from which the property is sent out is in Indiana; or

(C) Indiana is the commercial domicile of the lessee or other user of the property and there is no principal base of operations.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-3-8

Events not considered transacting business in state

Sec. 8. Notwithstanding any other provision of this chapter, a taxpayer, except for a trust company formed under IC 28-1-4, is not considered to be transacting business in Indiana if the only activities of the taxpayer in Indiana are or are in connection with any of the following:

(1) Maintaining or defending an action or suit.

(2) Filing, modifying, renewing, extending, or transferring a mortgage, deed of trust, or security interest.

(3) Acquiring, foreclosing, or otherwise conveying property in Indiana as a result of a default under the terms of a mortgage, deed of trust, or other security instrument relating to the property.

(4) Selling tangible personal property, if taxation under this article is precluded by 15 U.S.C. 381 through 384.

(5) Owning an interest in the following types of property, including those activities within Indiana that are reasonably required to evaluate and complete the acquisition or disposition of the property, the servicing of the property or the income from the property, the collection of income from the property, or the acquisition or liquidation of collateral relating to the property:

(A) An interest in a real estate mortgage investment conduit, a real estate investment trust, or a regulated investment company (as those terms are defined in the Internal Revenue Code).

(B) An interest in a loan backed security representing ownership or participation in a pool of promissory notes or certificates of interest that provide for payments in relation to payments or reasonable projections of payments on the notes or certificates.

(C) An interest in a loan or other asset from which the interest is attributed in IC 6-5.5-4-4, IC 6-5.5-4-5, and IC 6-5.5-4-6 and in which the payment obligations were solicited and entered into by a person that is independent and not acting on behalf of the owner.

(D) An interest in the right to service or collect income from a loan or other asset from which interest on the loan or other asset is attributed in IC 6-5.5-4-4, IC 6-5.5-4-5, and IC 6-5.5-4-6 and in which the payment obligations were solicited and entered into by a person that is independent and not acting on behalf of the owner.

(E) An amount held in an escrow or a trust account with respect to property described in this subdivision.

(6) Acting:

(A) as an executor of an estate;

(B) as a trustee of a benefit plan;

(C) as a trustee of an employees' pension, profit sharing, or other retirement plan;

(D) as a trustee of a testamentary or inter vivos trust or

corporate indenture; or

(E) in any other fiduciary capacity, including holding title to real property in Indiana.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.68-1991, SEC.11.

IC 6-5.5-4

Chapter 4. Rules for Attributing Receipts

IC 6-5.5-4-1

Application of chapter

Sec. 1. This chapter applies to all taxpayers.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.6-2000, SEC.4.

IC 6-5.5-4-2

Definitions

Sec. 2. For purposes of computing receipts or the receipts factor under this article the following apply:

(1) "Receipts" means gross income (as defined in IC 6-5.5-1-10), plus the gross income excluded under Section 103 of the Internal Revenue Code, less gross income derived from sources outside the United States. However, upon the disposition of assets such as securities and money market transactions, when derived from transactions and activities in the regular course of the taxpayer's trade or business, receipts are limited to the gain (as defined in Section 1001 of the Internal Revenue Code) that is recognized upon the disposition.

(2) "Money market instruments" means federal funds sold and securities purchased under agreements to resell, commercial paper, banker's acceptances, and purchased certificates of deposit and similar instruments.

(3) "Securities" means United States Treasury securities, obligations of United States government agencies and corporations, obligations of state and political subdivisions, corporate stock and other securities, participations in securities backed by mortgages held by United States or state government agencies, loan backed securities and similar investments.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.29; P.L.68-1991, SEC.12.

IC 6-5.5-4-3

Lease or rental of real or tangible personal property

Sec. 3. Receipts from the lease or rental of real or tangible personal property must be attributed to Indiana if the property is located in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-4

Secured loans or installment sales contracts; interest income and other receipts

Sec. 4. Interest income and other receipts from assets in the nature of loans or installment sales contracts that are primarily secured by or deal with real or tangible personal property must be attributed to Indiana if the security or sale property is located in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-5
Unsecured consumer loans; interest income and other receipts

Sec. 5. Interest income and other receipts from consumer loans not secured by real or tangible personal property must be attributed to Indiana if the loan is made to a resident of Indiana, whether at a place of business, by a traveling loan officer, by mail, by telephone, or by other electronic means.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-6
Unsecured commercial loans or installment obligations; interest income and other receipts to be applied in state

Sec. 6. Interest income and other receipts from commercial loans and installment obligations not secured by real or tangible personal property must be attributed to Indiana if the proceeds of the loan are to be applied in Indiana. If it cannot be determined where the funds are to be applied, the income and receipts are attributed to the state in which the business applied for the loan. As used in this section, "applied for" means initial inquiry (including customer assistance in preparing the loan application) or submission of a completed loan application, whichever occurs first.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-7
Fee income and other receipts from letters of credit, acceptance of drafts, and other guarantees of credit; apportionment

Sec. 7. Fee income and other receipts from letters of credit, acceptance of drafts, and other devices for assuring or guaranteeing loans or credit must be apportioned in the same manner as interest income and other receipts from commercial loans are apportioned.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-8
Credit cards; apportionment of service charges, interest income, and fees

Sec. 8. Interest income, merchant discount, and other receipts including service charges from financial institution credit card and travel and entertainment credit card receivables and credit card holders' fees must be attributed to the state to which the card charges and fees are regularly billed.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-9
Receipts from sale of assets; apportionment

Sec. 9. Receipts from the sale of an asset, tangible or intangible, must be apportioned in the manner that the income from the asset would be apportioned under this chapter.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-10

Receipts from performance of fiduciary and other services; apportionment

Sec. 10. Receipts from the performance of fiduciary and other services must be attributed to the state in which the benefits of the services are consumed. If the benefits are consumed in more than one (1) state, the receipts from those benefits must be apportioned to Indiana on a pro rata basis according to the portion of the benefits consumed in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-11

Receipts from traveler's checks, money orders, or savings bonds

Sec. 11. Receipts from the issuance of traveler's checks, money orders, or United States savings bonds must be attributed to the state in which the traveler's checks, money orders, or bonds are purchased.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-12

Receipts from investments of financial institution in state securities

Sec. 12. Receipts from investments of a financial institution in securities of this state and its political subdivisions, agencies, and instrumentalities must be attributed to Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-13

Participation loans; apportionment of interest income and other receipts

Sec. 13. Interest income and other receipts from a participating financial institution's portion of participation loans must be attributed under this chapter. A participation loan is a loan in which more than one (1) lender is a creditor to a common borrower.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-14

Repealed

(Repealed by P.L.68-1991, SEC.18.)

IC 6-5.5-4-15

Repealed

(Repealed by P.L.68-1991, SEC.18.)

IC 6-5.5-5

Chapter 5. Alternative Calculations; Combined Returns

IC 6-5.5-5-1

Members of unitary business; combined returns; fair representation of taxpayer income within state; reapportionment

Sec. 1. (a) Except as provided in this section, a unitary group consisting of at least two (2) taxpayers shall file a combined return covering all the operations of the unitary business and including all of the members of the unitary business. However, only one (1) combined return needs to be filed, as provided in IC 6-5.5-6-1.

(b) If the department or taxpayer determines that the result of applying this section or article do not fairly represent the taxpayer's income within Indiana or the taxpayer's income within Indiana may be more fairly represented by a separate return, the taxpayer may petition for and the department may allow, or the department may require, in respect to all or a part of the taxpayer's business activity any of the following:

(1) Separate accounting.

(2) The filing of a separate return for the taxpayer.

(3) A reallocation of tax items between a taxpayer and a member of the taxpayer's unitary group.

(c) Income apportioned under this article must reflect a change in adjusted gross income that is required to comply with a department order under this section.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.30; P.L.68-1991, SEC.13.

IC 6-5.5-5-2

Members of unitary group; combined returns

Sec. 2. A combined return must include the adjusted gross income of all members of the unitary group, even if some of the members would not otherwise be subject to taxation under this article. The department may require a member of a unitary group to provide any information that is needed by the department to determine the unitary group's apportioned income under this article. However, income of corporations or other entities organized in foreign countries, except a foreign bank (or its subsidiary) that transacts business in the United States, shall not be included in the combined return. In addition, the taxpayer shall eliminate, in calculating adjusted gross income, all income and deductions from transactions between entities that are included in the unitary group.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.31.

IC 6-5.5-5-3

Information or records required

Sec. 3. The department may require and the taxpayer shall furnish information or records that the department determines to be necessary for it to make the determination required under this article. The

department may require this information to be included in the taxpayer's return.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-6

Chapter 6. Returns

IC 6-5.5-6-1

Annual returns required

Sec. 1. Annual returns with respect to the tax imposed by this article shall be made by every taxpayer:

(1) having for the taxable year adjusted gross income or apportioned income subject to taxation under this article; or

(2) that would have had adjusted gross income or apportioned income subject to taxation under this article, but had a loss for that taxable year.

However, taxpayer members of a unitary group are required to file only one (1) return covering all members of the unitary group. The taxpayer member that files the return may be designated by the members of the unitary group pursuant to consents executed by each member. Each taxpayer member of a unitary group is jointly and severally liable for the tax liability of all members of the unitary group.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.68-1991, SEC.14.

IC 6-5.5-6-2

Time for filing returns; extensions

Sec. 2. Annual returns required by this chapter shall be filed with the department on or before the fifteenth day of the fourth month following the close of the taxpayer's taxable year. However, if a taxpayer receives an extension of time from the United States Internal Revenue Service for the filing of its federal income tax return for a taxable year, the department shall grant a similar extension of time to the taxpayer for the filing of a return required by this chapter for that taxable year. In addition, the department may grant an additional reasonable extension of time for filing a return required by this chapter.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-6-3

Quarterly estimated tax; quarterly payment by electronic fund transfer

Sec. 3. (a) Each taxpayer subject to taxation under this article shall report and pay quarterly an estimated tax equal to twenty-five percent (25%) of the taxpayer's total estimated tax liability imposed by this article for the taxable year. A taxpayer that uses a taxable year that ends on December 31 shall file the taxpayer's estimated quarterly financial institutions tax return and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year, without assessment or notice and demand from the department. If a taxpayer uses a taxable year that does not end on December 31, the due dates for filing the estimated quarterly financial institutions tax return and paying the tax are on or before the

twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year. The department shall prescribe the manner and furnish the forms for reporting and payment.

(b) Subsection (a) is applicable only to taxpayers having a tax liability imposed under this article that exceeds two thousand five hundred dollars ($2,500) for the taxable year.

(c) If the department determines that a taxpayer's:

(1) estimated quarterly financial institutions tax liability for the current year; or

(2) average quarterly financial institutions tax payment for the preceding year;

exceeds five thousand dollars ($5,000), the taxpayer shall pay the quarterly financial institutions taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(d) If a taxpayer's financial institutions tax payment is made by electronic fund transfer, the taxpayer is not required to file a quarterly financial institutions tax return.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.68-1991, SEC.15; P.L.28-1997, SEC.21; P.L.129-2001, SEC.9; P.L.211-2007, SEC.34.

IC 6-5.5-6-4

Payment of tax

Sec. 4. When a taxpayer is required to file a tax return under this chapter, the taxpayer shall, without assessment or notice and demand from the department, pay the tax to the department at the time fixed for filing the return without regard to an extension of time for filing the return. In making an annual return and paying the tax due for a taxable year, a taxpayer is entitled to take a credit for any tax previously paid by it for the taxable year under this chapter.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-6-5

Certified copy of return

Sec. 5. A taxpayer shall furnish to the department at the department's request a true and correct copy of any tax return that the taxpayer has filed with the United States Internal Revenue Service. The copy shall be certified by the taxpayer under penalties of perjury.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-6-6

Alteration or modification of return; notice; form; time; penalty

Sec. 6. (a) Each taxpayer shall notify the department in writing of any alteration or modification of a federal income tax return filed with the United States Internal Revenue Service for a taxable year that begins after December 31, 1988, including any modification or alteration in the amount of tax, regardless of whether the modification

or assessment results from an assessment.

(b) The taxpayer shall file the notice in the form required by the department within one hundred twenty (120) days after the alteration or modification is made by the taxpayer or finally determined, whichever occurs first.

(c) The taxpayer shall pay an additional tax or penalty due under this article upon notice or demand from the department.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-6-7

Forms; certification of truth of information

Sec. 7. A return required by this chapter and other information that is reasonably requested by the department must be on the forms that are prescribed by the department. The taxpayer or other person, corporation, or entity, when required by the department, shall certify under penalties of perjury to the truth of all information on the return or other document.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-6-8

Transfer of property; liability for tax

Sec. 8. In the case of a transferee of the property of a transferor, liability for an accrued tax liability of the transferor is transferred to the transferee as provided in Section 6901 of the Internal Revenue Code.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-6-9

Preservation of records; examination

Sec. 9. A taxpayer subject to taxation under this article shall keep and preserve records of the taxpayer's adjusted gross income and other books or accounts necessary to determine the amount of tax for which the taxpayer is liable under this article. Those records, books, and accounts shall be kept open for examination at any time by the department or its authorized agents.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-7

Chapter 7. Penalties

IC 6-5.5-7-1

Failure to make payment; underpayments

Sec. 1. (a) The penalty prescribed by IC 6-8.1-10-2.1(b) shall be assessed by the department on a taxpayer who fails to make payments as required in IC 6-5.5-6. However, no penalty shall be assessed for a quarterly payment if the payment equals or exceeds:

(1) twenty percent (20%) of the final tax liability for the taxable year; or

(2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

(b) The penalty for an underpayment of tax on a quarterly return shall only be assessed on the difference between the actual amount paid by the taxpayer on the quarterly return and the lesser of:

(1) twenty percent (20%) of the taxpayer's final tax liability for the taxable year; or

(2) twenty-five percent (25%) of the taxpayer's final tax liability for the taxpayer's previous taxable year.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.1-1991, SEC.55.

IC 6-5.5-7-2

Violation of article; violation of preparing or filing return

Sec. 2. A taxpayer who:

(1) violates IC 6-5.5; or

(2) fails to comply with the request of the department made under IC 6-5.5-6;

commits a Class C infraction.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-7-3

False entries in books; multiple books; failure to make return; false returns

Sec. 3. A taxpayer who:

(1) makes false entries in the taxpayer's books;

(2) keeps more than one (1) set of books;

(3) fails to make a return required to be made under this chapter; or

(4) makes a false return or false statement in a return;

with intent to defraud the state or to evade the payment of a tax imposed under this article commits a Level 6 felony.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.158-2013, SEC.90.

IC 6-5.5-7-4

Failure to permit examination of books, records, or property; refusal to testify or produce records

Sec. 4. A person who knowingly:

(1) fails to permit the examination of any book, paper, account, record, or other data by the department or its authorized agents;
(2) fails to permit the inspection or appraisal of any property by the department or its authorized agents; or
(3) refuses to offer testimony or produce a record;

required under this article commits a Level 6 felony.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.158-2013, SEC.91.

IC 6-5.5-7-5

Concurrent jurisdiction of attorney general

Sec. 5. The attorney general has concurrent jurisdiction with prosecuting attorneys in instituting and prosecuting actions under sections 2 through 4 of this chapter.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-8

Chapter 8. Financial Institutions Tax Fund

IC 6-5.5-8-1

Establishment; purpose; investment of money in fund; reversion of funds

Sec. 1. (a) The financial institutions tax fund is established for the purpose of making distributions to counties and for providing revenue for state appropriations. The fund shall be administered by the treasurer of state.

(b) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(c) Money in the fund at the end of a fiscal year does not revert to the state general fund.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-8-2

Semiannual distributions to counties

Sec. 2. (a) On or before December 1 and June 1 of each year the auditor of state shall transfer from the financial institutions tax fund to each county auditor for distribution to the taxing units (as defined in IC 6-1.1-1-21) in the county, an amount equal to fifty percent (50%) of the sum of the distributions under this section for all the taxing units of the county for the state fiscal year. The amount of a taxing unit's distribution for the state fiscal year is equal to the result of:

(1) an amount equal to forty percent (40%) of the total financial institutions tax revenue collected during the preceding state fiscal year; multiplied by

(2) a fraction equal to:

(A) the amount of the guaranteed distributions received by the taxing unit under this chapter during calendar year 2012 (based on the best information available to the department); divided by

(B) the total amount of all guaranteed distributions received by all taxing units under this chapter during calendar year 2012 (based on the best information available to the department).

(b) The county auditor shall distribute the distributions received under subsection (a) to the taxing units in the county at the same time that the county auditor makes the semiannual distribution of real property taxes to the taxing units.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.32; P.L.61-1991, SEC.5; P.L.68-1991, SEC.16; P.L.273-1999, SEC.58; P.L.90-2002, SEC.303; P.L.192-2002(ss), SEC.129; P.L.146-2008, SEC.351; P.L.205-2013, SEC.125.

IC 6-5.5-8-3

Procedure for making semiannual distributions to counties

Sec. 3. (a) Before April 15 and October 15 of each year, the auditor of state shall determine the amount of the next semiannual distribution under section 2 of this chapter for counties. The amounts determined by the auditor of state shall be based on the best information available to the department.

(b) In order to make the distributions required by this chapter, the auditor of state shall draw warrants on the financial institutions tax fund payable to the county, and the treasurer of state shall pay the warrants.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.33; P.L.205-2013, SEC.126.

IC 6-5.5-8-4
Appropriation

Sec. 4. There is appropriated from the financial institutions tax fund an amount necessary to make the distributions required by this chapter.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-9

Chapter 9. Miscellaneous

IC 6-5.5-9-1

Rules

Sec. 1. The department shall adopt rules under IC 4-22-2 to implement this article.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-9-2

Other provisions applicable to IC 6-5.5

Sec. 2. For purposes of administration and enforcement the provisions of IC 6-8.1 that are applicable to a listed tax and an income tax apply to the tax imposed by this article.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-9-3

Effect of tax under IC 6-5.5 held inapplicable or invalid

Sec. 3. If the tax imposed by this article is held inapplicable or invalid with respect to a taxpayer, then notwithstanding the statute of limitations set forth in IC 6-8.1-5-2(a), the taxpayer is liable for the taxes imposed for the taxable periods with respect to which the tax under this article is held inapplicable or invalid.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.34; P.L.192-2002(ss), SEC.130; P.L.1-2003, SEC.48.

IC 6-5.5-9-4

Exemption from income taxes

Sec. 4. (a) A taxpayer who is subject to taxation under this article for a taxable year or part of a taxable year is not, for that taxable year or part of a taxable year, subject to the income taxes imposed by IC 6-3.

(b) The exemption provided for the taxes listed in subsection (a) does not apply to a taxpayer to the extent the taxpayer is acting in a fiduciary capacity.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.35; P.L.1-1991, SEC.56; P.L.192-2002(ss), SEC.131.

IC 6-5.5-9-5

Depositor or owner of capital stock, share accounts, certificates of indebtedness, or investment in taxpayer with principal offices in state; tax liability

Sec. 5. A depositor or owner of capital stock, capital shares, share accounts, certificates of indebtedness or investment, or comparable investment or interest in a taxpayer with its principal offices in Indiana is not liable for taxation under this article with respect to that interest.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.36.

IC 6-6

ARTICLE 6. MOTOR FUEL AND VEHICLE EXCISE TAXES

IC 6-6-1

Repealed

(Repealed by Acts 1979, P.L.79, SEC.2.)

IC 6-6-1.1
Chapter 1.1. Gasoline Tax

IC 6-6-1.1-101
Short title

Sec. 101. This chapter shall be known and may be cited as the "Gasoline Tax Law."

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.4.

IC 6-6-1.1-102
Application of definitions and rules of construction

Sec. 102. The definitions and rules of construction contained in sections 103 and 104 of this chapter apply throughout this chapter unless the context clearly requires otherwise.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-103
Definitions

Sec. 103. As used in this chapter:

(a) "Administrator" means the administrative head of the department of state revenue or the administrator's designee.

(b) "Dealer" means a person, except a distributor, engaged in the business of selling gasoline in Indiana.

(c) "Department" means the department of state revenue.

(d) "Distributor" means a person who first receives gasoline in Indiana. However, "distributor" does not include the United States or any of its agencies unless their inclusion is permitted under the Constitution and laws of the United States.

(e) "Licensed distributor" means a person holding a valid distributor's license issued by the administrator.

(f) "Marine facility" means a marina or boat livery.

(g) "Gasoline" means:

(1) all products commonly or commercially known or sold as gasoline, including casinghead and absorption or natural gasoline, regardless of their classifications or uses; and

(2) any liquid, which when subjected to distillation of gasoline, naphtha, kerosene, and similar petroleum products with American Society for Testing Materials Designation D-86, shows not less than ten percent (10%) distilled (recovered) below three hundred forty-seven degrees Fahrenheit (347 degrees F) or one hundred seventy-five degrees Centigrade (175 degrees C), and not less than ninety-five percent (95%) distilled (recovered) below four hundred sixty-four degrees Fahrenheit (464 degrees F) or two hundred forty degrees Centigrade (240 degrees C).

However, the term "gasoline" does not include liquefied gases which would not exist as liquids at a temperature of sixty degrees Fahrenheit (60 degrees F) or sixteen degrees Centigrade (16 degrees C), and a pressure of fourteen and seven-tenths

(14.7) pounds per square inch absolute, or denatured, wood, or ethyl alcohol, ether, turpentine, or acetates, unless such product is used as an additive in the manufacture, compounding, or blending of a liquid within subdivision (2) or is otherwise blended with a liquid described in subdivision (2) (including ethanol used in E85), in which event only the quantity so used is considered gasoline. In addition, "gasoline" does not include those liquids which meet the specifications of subdivision (2) but which are especially designated for use other than as a fuel for internal combustion engines.

(h) "Motor vehicle" means a vehicle, except a vehicle operated on rails, which is propelled by an internal combustion engine or motor and is designed to permit its mobile use on public highways.

(i) "Person" means a natural person, partnership, firm, association, corporation, limited liability company, representative appointed by a court, or the state or its political subdivisions.

(j) "Public highway" means the entire width between boundary lines of every publicly maintained way in Indiana including streets and alleys in cities and towns when any part of the way is open to public use for vehicle travel.

(k) "Taxable marine facility" means a marine facility located on an Indiana lake.

(l) "Taxicab" means a motor vehicle which is:

(1) designed to carry not more than seven (7) individuals, including the driver;

(2) held out to the public for hire at a fare regulated by municipal ordinance and based upon length of trips or time consumed;

(3) not operated over a definite route; and

(4) a part of a commercial enterprise in the business of providing taxicab service.

(m) "Terminal" means a marine or pipeline gasoline facility.

(n) "Metered pump" means a stationary pump having a meter that is capable of measuring the amount of gasoline dispensed through it.

(o) "Billed gallons" means the gallons indicated on an invoice for payment to a supplier.

(p) "Export" for gasoline and fuels taxed in the same manner as gasoline under the origin state's statutes means the sale for export and delivery out of a state by or for the seller that is:

(1) an export by the seller in the origin state; and

(2) an import by the seller in the destination state.

(q) "Import" for gasoline and fuels taxed in the same manner as gasoline under the origin state's statutes means the purchase for export and transportation out of a state by or for the purchaser that is:

(1) an export by the purchaser in the origin state; and

(2) an import by the purchaser in the destination state.

(r) "Rack" means a dock, platform, or open bay:
(1) located at a refinery or terminal; and
(2) having a system of metered pipes and hoses to load fuel into a tank wagon or tank transport.

(s) "E85" means a fuel blend nominally consisting of eighty-five percent (85%) ethanol and fifteen percent (15%) gasoline (as described in subsection (g)(2)) that meets American Society for Testing and Materials standard specification 5798-99 for fuel ethanol for automotive spark-ignition engines (Ed75Ed85).

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.5; P.L.97-1987, SEC.1; P.L.69-1991, SEC.1; P.L.8-1993, SEC.96; P.L.122-2006, SEC.18.

IC 6-6-1.1-104
Rules of construction

Sec. 104. (a) Whenever a masculine gender pronoun is used in this chapter, it refers to the masculine, feminine, or neuter, whichever is appropriate.

(b) The singular form of any noun as used in this chapter includes the plural, and the plural includes the singular, where appropriate.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-105
Citation to prior law

Sec. 105. If a provision of the prior motor fuel or marine fuel tax laws (IC 6-6-1 and IC 6-6-1.5) has been replaced in the same form or in a restated form, by a provision of this chapter, then a citation to the provision of the prior law shall be construed as a citation to the corresponding provision of this chapter.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-201
Rate and burden of tax

Sec. 201. A license tax of eighteen cents ($0.18) per gallon is imposed on the use of all gasoline used in Indiana, except as otherwise provided by this chapter. The distributor shall initially pay the tax on the billed gallonage of all gasoline the distributor receives in this state, less any deductions authorized by this chapter. The distributor shall then add the per gallon amount of tax to the selling price of each gallon of gasoline sold in this state and collected from the purchaser so that the ultimate consumer bears the burden of the tax.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.6; Acts 1980, P.L.10, SEC.6; P.L.59-1985, SEC.9; P.L.68-1988, SEC.1; P.L.69-1991, SEC.2; P.L.192-2002(ss), SEC.132.

IC 6-6-1.1-201.5
Repealed

(Repealed by P.L.59-1985, SEC.37.)

IC 6-6-1.1-202
Time considered received; in-state gasoline; withdrawal from refinery or terminal

Sec. 202. (a) For purposes of this chapter, gasoline is considered received when it is withdrawn from an in-state refinery or terminal for sale or use in this state or for transfer to a destination in this state, unless the destination is another in-state refinery or terminal.

(b) Gasoline is received by the owner of the gasoline when it is withdrawn from the refinery or terminal. However, if the gasoline is withdrawn for delivery or transportation to or for the account of the holder of a distributor license, then the gasoline is received by the distributor to whom or for whose account it is delivered or transported.

(c) Only when gasoline is withdrawn for delivery or transportation to a person who sells and distributes by tank car, tank truck, or transport is that person a distributor as defined by section 103(d) of this chapter.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.2; Acts 1980, P.L.51, SEC.7.

IC 6-6-1.1-203
Time considered received; imported gasoline; storage

Sec. 203. Gasoline is received by the owner at the time it is unloaded in this state if it is imported into this state and placed in storage at a place other than a refinery or terminal.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.8.

IC 6-6-1.1-204
Time considered received; imported gasoline; use directly from transport

Sec. 204. If the gasoline referred to in section 203 of this chapter is used in this state directly from the transportation equipment by which it is transported, then it is received when it is brought into this state and by the person who uses it in this state.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.9.

IC 6-6-1.1-205
Time considered received; imported gasoline; transport by licensed distributor

Sec. 205. Gasoline shipped or brought into this state by a licensed distributor which is sold and delivered in this state directly to someone other than a licensed distributor is considered received by the distributor shipping or bringing the fuel into this state.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.10.

IC 6-6-1.1-206
Time considered received; in-state gasoline produced or blended

Sec. 206. Gasoline produced, compounded, or blended in this state at a place other than a refinery or terminal is considered received at the time and by the owner of the gasoline when it is produced, compounded, or blended.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.11.

IC 6-6-1.1-207
Time considered received; in-state gasoline not covered by IC 6-6-1.1-202 through IC 6-6-1.1-206

Sec. 207. Gasoline acquired in this state by any person not covered by sections 202 through 206 of this chapter is considered received at the time of acquisition by the person acquiring it, unless the person from whom the gasoline is acquired has paid or incurred liability for, or is exempt under section 301 of this chapter from, the tax imposed on the gasoline.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.12.

IC 6-6-1.1-208
Imported gasoline; motor vehicle fuel supply tanks; exemption

Sec. 208. Any person who brings gasoline into this state in the fuel supply tank directly connected to the motor of the motor vehicle is not liable for the tax imposed under this chapter.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.13.

IC 6-6-1.1-209
Inventory tax; imposition; computation; listed tax

Sec. 209. (a) Persons having title to gasoline in storage and held for sale on the effective date of an increase in the license tax rate imposed under section 201 of this chapter are subject to an inventory tax based upon the gallonage in storage as of the close of the business day preceding the effective date of the increased license tax rate.

(b) Persons subject to the tax imposed under this section shall:

(1) take an inventory to determine the gallonage in storage for purposes of determining the inventory tax;

(2) report that gallonage on forms provided by the administrator; and

(3) pay the tax due within thirty (30) days of the prescribed inventory date.

(c) The amount of the inventory tax is equal to the inventory tax rate times the gallonage in storage as determined under subsection (a). The inventory tax rate is equal to the difference of the increased license tax rate minus the previous license tax rate.

(d) The inventory tax shall be considered a listed tax for the purposes of IC 6-8.1.

As added by P.L.59-1985, SEC.10.

IC 6-6-1.1-301
Exemptions

Sec. 301. The following transactions are exempt from the gasoline tax:

(1) Gasoline exported from Indiana to another state, territory, or foreign country.

(2) Gasoline sold to the United States or an agency or instrumentality thereof.

(3) Gasoline sold to a post exchange or other concessionaire on a federal reservation within Indiana; however, the post exchange or concessionaire shall collect, report, and pay to the administrator any tax permitted by federal law on gasoline sold.

(4) Gasoline used by a licensed distributor for any purpose other than the generation of power for the propulsion of motor vehicles upon the public highways.

(5) Gasoline received by a licensed distributor and thereafter lost or destroyed, except by evaporation, shrinkage, or unknown cause, while the distributor is still the owner.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.3; Acts 1980, P.L.51, SEC.14.

IC 6-6-1.1-302
Application for exemption permit; persons eligible

Sec. 302. The following persons may apply to the administrator for an exemption permit:

(1) A person who operates an airport where he sells gasoline for the exclusive purpose of propelling aircraft engines or motors.

(2) A person engaged at an airport in the business of selling gasoline for exclusive use in aircraft engines or motors.

(3) A person who operates a marine facility, except a taxable marine facility, and who sells gasoline at that facility for the exclusive purpose of propelling motorboat engines.

Such a person may apply for an exemption permit whether or not he is a licensed distributor.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.15.

IC 6-6-1.1-303
Application for exemption permit; form; fee

Sec. 303. (a) A person must apply for an exemption permit on the form prescribed by the administrator. A fifteen dollar ($15) permit fee must be paid before an exemption permit may be issued.

(b) An exemption permit is conditioned on the following terms:

(1) The permit holder shall sell all gasoline purchased tax free under the exemption permit for the exclusive purpose of propelling the engines or motors of aircraft or motorboats.

(2) The permit holder shall keep for a period of three (3) years, complete records of all gasoline purchased, acquired, stored,

used, or disposed of by him.

(3) The permit holder shall provide the administrator with such reports of gasoline purchased, acquired, used, or disposed of as the administrator may require.

(4) The permit holder shall permit the administrator or his authorized agent to examine during regular business hours any of the records of the applicant pertaining to the acquisition, use, and distribution of gasoline and any of the equipment of the applicant used for the receipt, storage, or use of gasoline.

(5) The permit holder shall not purchase gasoline tax free for use in motor vehicles.

(6) The permit holder shall not sell any gasoline acquired tax free under the exemption permit unless it is sold tax free and delivered directly into the fuel supply tank of an aircraft or motorboat.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.16; P.L.97-1987, SEC.2.

IC 6-6-1.1-304

Application for exemption permit; investigation

Sec. 304. The administrator may make any investigation he considers necessary when reviewing an application for an exemption permit.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-305

Exemption permit holders; issuance of certificate to distributors

Sec. 305. A person who holds an exemption permit may issue an executed exemption certificate to a licensed distributor. The licensed distributor may then sell gasoline to that person free of the tax imposed by this chapter.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-401

License to distributor; requirement

Sec. 401. A person desiring to receive gasoline within Indiana without paying gasoline tax to his supplier must hold an uncanceled license issued by the administrator to do business as a distributor. For purposes of this section and section 415 of this chapter, "supplier" means a distributor or person who sells gasoline.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.4; Acts 1980, P.L.51, SEC.17.

IC 6-6-1.1-402

License to distributor; application; contents

Sec. 402. To obtain a license, every person desiring to operate as a distributor must, before commencing operations as a distributor, file with the administrator a sworn application containing the following information:

(1) The name under which the distributor will transact business

in Indiana.

(2) The location, including street address, of the applicant's principal place of business.

(3) The name and complete residence address of the owner or the names and addresses of the partners, if the applicant is a partnership, the names and addresses of the managers and members, if the applicant is a limited liability company, or the names and addresses of the principal officers, if the applicant is a corporation or association.

(4) Any other information the administrator reasonably requires.

As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.97-1987, SEC.3; P.L.8-1993, SEC.97.

IC 6-6-1.1-403

License to distributor; denial; grounds; hearing

Sec. 403. (a) The administrator may refuse to issue a license to do business as a distributor in Indiana if:

(1) the application is filed by a person whose license has previously been cancelled for cause;

(2) the application is not filed in good faith, as determined by the administrator;

(3) the application is filed by some person as a subterfuge for the real person in interest whose license has previously been cancelled for cause;

(4) the applicant has an outstanding listed tax liability; or

(5) the applicant has not complied with a filing requirement of the department.

(b) Before being denied a license as a distributor, the applicant is entitled to a hearing with five (5) days written notice. At the hearing the applicant may appear in person or by counsel and present testimony.

As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.96-1989, SEC.1.

IC 6-6-1.1-404

License to distributor; foreign corporations

Sec. 404. No license may be issued to a foreign corporation unless it is properly qualified to do business in Indiana.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-405

License to distributor; financial statement; fee

Sec. 405. No license may be issued unless the application is accompanied by a current financial statement and a license fee of one hundred dollars ($100). The applicant shall pay the license fee to the administrator.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-405.5

Investigations to enforce chapter

Sec. 405.5. The administrator may make any investigation the administrator considers reasonably necessary for the enforcement of this chapter.

As added by P.L.69-1991, SEC.3.

IC 6-6-1.1-406

License to distributor; bond, letter of credit, or cash deposit

Sec. 406. (a) Concurrently with the filing of an application for a distributor's license, the department may require an applicant to file with the administrator a surety bond, a letter of credit, or a cash deposit:

(1) in an amount of not less than two thousand dollars ($2,000) nor more than a three (3) month tax liability for the applicant as estimated by the administrator; and

(2) conditioned upon the prompt filing of true reports and payment of all gasoline taxes levied by the state, together with any penalties and interest, and upon faithful compliance with the provisions of this chapter.

(b) The administrator shall determine the amount of the distributor's bond, cash deposit, or letter of credit. If the applicant files a bond or a letter of credit, the bond or letter of credit must:

(1) be with a surety company or financial institution approved by the administrator;

(2) name the applicant as the principal and the state as the obligee; and

(3) be on forms prescribed by the department.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.18; P.L.77-1985, SEC.1; P.L.97-1987, SEC.4; P.L.96-1989, SEC.2; P.L.69-1991, SEC.4.

IC 6-6-1.1-407

Bond or letter of credit of distributor unsatisfactory; reduction of cash deposit

Sec. 407. (a) The administrator may require a distributor to file a new bond or new letter of credit, with a satisfactory surety or financial institution in the same form and amount if:

(1) liability upon the old bond or letter of credit is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the administrator any surety on the old bond or financial institution on the old letter of credit becomes unsatisfactory.

If the new bond or new letter of credit is unsatisfactory, the administrator shall cancel the license of the distributor. If the new bond or new letter of credit is satisfactorily furnished, the administrator shall release in writing the surety on the old bond or financial institution on the old letter of credit from any liability accruing after the effective date of the new bond or new letter of credit.

(b) If a distributor has a cash deposit with the administrator and the deposit is reduced by a judgment rendered, payment made, or otherwise, the administrator may require the distributor to make a new deposit equal to the amount of the reduction.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.97-1987, SEC.5.

IC 6-6-1.1-408
Amount of bond, letter of credit, or cash deposit insufficient; new requirements; hearing; cancellation of certificate

Sec. 408. (a) If the administrator reasonably determines that the amount of the existing bond, letter of credit, or cash deposit is insufficient to insure payment to the state of the tax and any penalty and interest for which the distributor is or may become liable, then the distributor shall upon written demand of the administrator file a new bond or letter of credit, or increase the cash deposit. The administrator shall give the distributor at least fifteen (15) days to secure the new bond or letter of credit or make the increased cash deposit.

(b) The new bond, letter of credit, or cash deposit must meet the requirements set forth in section 406 of this chapter.

(c) If the new bond, letter of credit, or cash deposit required under this section is unsatisfactory, the administrator shall cancel the distributor's license certificate.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.77-1985, SEC.2; P.L.97-1987, SEC.6; P.L.69-1991, SEC.5.

IC 6-6-1.1-409
Release of surety of distributor's bond or institution issuing letter of credit; retaining cash deposit; notice; cancellation of license

Sec. 409. (a) Sixty (60) days after making a written request for release to the administrator, the surety of a bond furnished by a distributor is released from any liability to the state accruing on the bond after the sixty (60) day period. The release does not affect any liability accruing before the expiration of the sixty (60) day period.

(b) One hundred eighty (180) days after making a written request for release to the administrator, the financial institution issuing the letter of credit for a distributor is released from any liability accruing on the letter of credit.

(c) The administrator shall promptly notify the distributor furnishing the bond or letter of credit that a release has been requested, and unless the distributor obtains a new bond or letter of credit which meets the requirements of section 406 of this chapter and files with the administrator:

(1) the new bond within the sixty (60) day period; or
(2) the new letter of credit within the one hundred eighty (180) day period;

the administrator shall cancel the distributor's license.

(d) Sixty (60) days after making a written request for release to the administrator, the cash deposit provided by a distributor is

cancelled as security for any obligation accruing after the expiration of the sixty (60) day period. However, the administrator may retain all or part of the cash deposit for up to three (3) years and one (1) day as security for any obligations accruing before the effective date of the cancellation. Any part of the deposit that is not retained by the administrator shall be released to the distributor. Before the expiration of the sixty (60) day period, the distributor must provide the administrator with a bond or letter of credit that satisfies section 406 of this chapter, or the administrator shall cancel the distributor's license.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.97-1987, SEC.7.

IC 6-6-1.1-410
Financial statements; increased bond, letter of credit, or cash deposit amounts
Sec. 410. The administrator may in his reasonable discretion require a distributor to furnish current certified, audited financial statements. If the administrator determines that a distributor's financial condition warrants an increase in the distributor's bond, letter of credit, or cash deposit, the administrator may require the distributor to furnish an increased bond, letter of credit, or cash deposit.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.97-1987, SEC.8.

IC 6-6-1.1-411
Temporary license; investigation; conditions and requirements
Sec. 411. The administrator may make any investigation he considers necessary once an application has been properly filed, the license fee paid, and the bonding requirements met. If all conditions and requirements of this chapter have been met, the administrator shall issue to the applicant a temporary license to transact business as a distributor in Indiana. The temporary license is valid for one (1) year.
As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-412
Permanent license; minimum gallonage
Sec. 412. If an Indiana based distributor distributes at least five hundred thousand (500,000) gallons of gasoline during the year that the temporary license is in effect and complies with all the other provisions of this chapter, the administrator shall issue a permanent license to the distributor without charge. The permanent license is effective unless canceled under this chapter.
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.19.

IC 6-6-1.1-413
No permanent license; insufficient gallonage

Sec. 413. If an Indiana based distributor does not distribute at least five hundred thousand (500,000) gallons of gasoline during the year that the temporary license is in effect, the administrator may not issue a permanent license to that distributor.
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.20.

IC 6-6-1.1-414
License nonassignable; new license required

Sec. 414. A license issued under this chapter is not assignable and is valid only for the distributor in whose name it is issued. If there is a change in name or ownership, the distributor shall apply for a new license.
As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-415
Cancellation of distributor's license; grounds; notice; hearing

Sec. 415. (a) The administrator may, after fifteen (15) days written notice, cancel a distributor's license if the distributor:

(1) files a false monthly report of the information required by this chapter;
(2) fails or refuses to file the monthly report required by this chapter;
(3) fails or refuses to pay the full amount of the tax imposed by this chapter on the expiration of the fifteen (15) day notice period provided by this subsection;
(4) is an Indiana distributor and fails to distribute five hundred thousand (500,000) gallons or more of gasoline during a twelve (12) month period;
(5) fails to file a surety bond, letter of credit, or cash deposit as required by section 406 of this chapter;
(6) fails to honor a subpoena issued by the department under IC 6-8.1-3-12;
(7) knowingly breaks the seal on a pump sealed under section 1008 or 1110 of this chapter; or
(8) fails or refuses to comply with IC 6-8.1-5-4 or section 1314 of this chapter.

(b) The distributor may appear at the time and place given in the notice to show cause why the distributor's license should not be canceled. Notice of the hearing and of the cancellation must be sent by registered or certified mail to the distributor's last known address appearing in the administrator's files. A distributor whose license is canceled may not sell gasoline in Indiana without paying the tax imposed under this chapter to the supplier (as defined in section 401 of this chapter).
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.5; Acts 1980, P.L.51, SEC.21; P.L.97-1987, SEC.9; P.L.96-1989, SEC.3; P.L.69-1991, SEC.6.

IC 6-6-1.1-416

Cancellation of license on distributor's request; requisites

Sec. 416. A distributor may make a written request to the administrator to cancel his license, and the administrator may cancel the license effective sixty (60) days from receipt of the request if prior to cancellation the distributor has paid all tax, penalty, and interest accruing under this chapter.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-417

Cancellation of distributor's license for inactiveness; notice

Sec. 417. If the administrator determines that a distributor has not received, used, or sold gasoline for a period of six (6) months, and is no longer engaged as a distributor, the administrator may cancel the license by giving sixty (60) days' notice mailed to that person's last known address appearing in the administrator's files.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.22.

IC 6-6-1.1-418

Listing of licensed distributors; index of applications and bonds

Sec. 418. The administrator shall keep a file and alphabetical index of all applications and bonds, and shall keep a record of all licensed distributors. The administrator shall furnish to each licensed distributor, before August 16 of each year, a complete list of all licensed distributors as of the preceding July 1. The administrator shall also furnish to each licensed distributor monthly supplements showing any changes in the list.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-501

Monthly reports to determine tax liability; itemized contents

Sec. 501. To determine his tax liability under this chapter, each distributor shall file a sworn report with the administrator by the twentieth day of each calendar month. The administrator may require the following information to be included in the report:

(1) An itemized statement of the number of invoiced gallons of gasoline received by the distributor within Indiana during the preceding calendar month, as determined under sections 202 through 207 of this chapter. The administrator may require that the statement include the date, place, and quantity of each receipt of gasoline, the point of origin, the method by which and the name of the person from whom the gasoline was received, and any other information which the administrator requires.

(2) An itemized statement showing the deductions provided by sections 701 through 705 of this chapter, together with such details to support each deduction as the administrator may require.

(3) An itemized statement showing the gallons of gasoline sold to a marine facility for which the distributor does not receive an exemption certificate authorized by section 305 of this chapter.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.6; Acts 1980, P.L.51, SEC.23.

IC 6-6-1.1-502
Monthly payment of tax due; computation

Sec. 502. (a) Except as provided in subsection (b), at the time of filing each monthly report, each distributor shall pay to the administrator the full amount of tax due under this chapter for the preceding calendar month, computed as follows:

(1) Enter the total number of invoiced gallons of gasoline received during the preceding calendar month.

(2) Subtract the number of gallons for which deductions are provided by sections 701 through 705 of this chapter from the number of gallons entered under subdivision (1).

(3) Subtract the number of gallons reported under section 501(3) of this chapter.

(4) Multiply the number of invoiced gallons remaining after making the computation in subdivisions (2) and (3) by the tax rate prescribed by section 201 of this chapter to compute that part of the gasoline tax to be deposited in the highway, road, and street fund under section 802(2) of this chapter or in the motor fuel tax fund under section 802(3) of this chapter.

(5) Multiply the number of gallons subtracted under subdivision (3) by the tax rate prescribed by section 201 of this chapter to compute that part of the gasoline tax to be deposited in the fish and wildlife fund under section 802(1) of this chapter.

(b) If the department determines that a distributor's:

(1) estimated monthly gasoline tax liability for the current year; or

(2) average monthly gasoline tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the distributor shall pay the monthly gasoline taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.24; Acts 1980, P.L.10, SEC.8; Acts 1981, P.L.93, SEC.1; P.L.59-1985, SEC.11; P.L.92-1987, SEC.5; P.L.63-1988, SEC.12; P.L.28-1997, SEC.22; P.L.211-2007, SEC.35.

IC 6-6-1.1-503
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-504
Purchaser other than licensed distributor; same reports; payment of tax

Sec. 504. Every person other than a licensed distributor who

purchases or otherwise acquires taxable gasoline and unknowingly fails to pay the gasoline tax to either a licensed Indiana distributor or Indiana dealer shall make the same reports and payment required of distributors under this chapter. However, the person is not entitled to any deductions or credits.
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.25.

IC 6-6-1.1-505
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-506
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-507
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-508
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-509
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-510
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-511
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-512
Discontinuance, sale, or transfer of distributor's business; notice to administrator
Sec. 512. If a distributor intends to discontinue, sell, or transfer his business, he must give written notice to the administrator at least ten (10) days prior to his ceasing business. The notice shall give the date of discontinuance or the date of sale or transfer and the name and address of the purchaser or transferee.
As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-513
Discontinuance, sale, or transfer of distributor's business; accrued tax liabilities due and payable
Sec. 513. Notwithstanding any other provision of this chapter, any

tax, penalty, and interest which have accrued under this chapter are due and payable at the time a distributor discontinues, sells, or transfers his business. The distributor shall file a report and pay any tax, penalty, and interest within ten (10) days after the discontinuance, sale, or transfer.
As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-514
Sale or transfer of distributor's business; liability of purchaser or transferee for any accrued unpaid tax, penalty, and interest

Sec. 514. If a distributor fails to give notice to the administrator as required by section 512 of this chapter, the purchaser or transferee of his business is liable to the state for all unpaid tax, penalty, and interest accrued under this chapter against the distributor through the date of sale or transfer. However, the purchaser's or transferee's liability is limited to the value of the property and business acquired from the distributor.
As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-515
Reports; electronic filing

Sec. 515. The administrator may require that all reports required to be filed under section 209, 501, 502, 504, or 606 of this chapter must be filed in an electronic format prescribed by the administrator.
As added by P.L.176-2006, SEC.3.

IC 6-6-1.1-601
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-602
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-603
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-604
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-605
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-606
Monthly reports of all deliveries of gasoline in and from Indiana; forms; contents

Sec. 606. (a) Every person, including persons engaged in for-hire

interstate or intrastate commerce, who:

(1) transports gasoline by any manner from a point outside Indiana to a point in Indiana; and

(2) is not a licensed distributor;

shall report to the administrator on forms prescribed by the department all deliveries of gasoline from a point outside Indiana to a point in Indiana.

(b) The reports required by subsection (a) must cover monthly periods and must show the following:

(1) The name and address of the person to whom deliveries of gasoline have actually been made.

(2) The name and address of the originally named consignee, if gasoline has been delivered to a person other than the originally named consignee.

(3) The point of origin, point of delivery, date of delivery, number and initials of each tank car, and the number of gallons contained in each car, if the gasoline has been shipped by rail.

(4) The number of gallons contained in the boat, barge, or vessel, if the gasoline has been shipped by water.

(5) The number of gallons contained in each tank truck, if the gasoline has been shipped by motor truck.

(6) The manner in which the gasoline has been delivered if the delivery is not covered by clauses (1) through (5).

(7) Additional information relating to gasoline shipments as the administrator reasonably may require.

(c) Every person, including persons engaged in for-hire interstate or intrastate commerce who:

(1) transports gasoline from a point in Indiana to a point outside Indiana; and

(2) is not a licensed distributor in Indiana;

shall report to the administrator on forms prescribed by the department all gasoline transported from a point inside Indiana to a point outside Indiana.

(d) The report required by subsection (c) must be made under oath on a form prescribed by the administrator, must cover monthly periods, and must show the following:

(1) The name and address of the person to whom deliveries of gasoline have actually been made.

(2) The name and address of the originally named consignee, if gasoline has been delivered to a person other than the originally named consignee.

(3) The point of origin, point of delivery, date of delivery, number and initials of each tank car, and the number of gallons contained in each car if the gasoline has been shipped by rail.

(4) The name and number of gallons contained in the boat, barge, or vessel if the gasoline has been shipped by water.

(5) The registration number and number of gallons contained in each tank truck if the gasoline has been shipped by motor truck.

(6) The manner in which the gasoline has been delivered if the delivery is not covered by clauses (1) through (5).

(7) Additional information relating to gasoline shipments as the administrator reasonably may require.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.30; P.L.69-1991, SEC.7.

IC 6-6-1.1-606.5

Registration and licensure of persons transporting gasoline in and from Indiana; persons qualified to accept delivery of gasoline; transporter emblems; language of invoices or manifests; legitimate diversion

Sec. 606.5. (a) Every person included within the terms of section 606(a) and 606(c) of this chapter shall register with the administrator before engaging in those activities. The administrator shall issue a transportation license to a person who registers with the administrator under this section.

(b) Every person included within the terms of section 606(a) of this chapter who transports gasoline in a vehicle on the highways in Indiana for purposes other than use and consumption by that person may not make a delivery of that gasoline to any person in Indiana other than a licensed distributor except:

(1) when the tax imposed by this chapter on the receipt of the transported gasoline was charged and collected by the parties; and

(2) under the circumstances described in section 205 of this chapter.

(c) Every person included within the terms of section 606(c) of this chapter who transports gasoline in a vehicle upon the highways of Indiana for purposes other than use and consumption by that person may not, on the journey carrying that gasoline to points outside Indiana, make delivery of that fuel to any person in Indiana.

(d) Every transporter of gasoline included within the terms of section 606(a) and 606(c) of this chapter who transports gasoline upon the highways of Indiana for purposes other than use and consumption by that person shall at the time of registration and on an annual basis list with the administrator a description of all vehicles, including the vehicles' license numbers, to be used on the highways of Indiana in transporting gasoline from:

(1) points outside Indiana to points inside Indiana; and

(2) points inside Indiana to points outside Indiana.

(e) The description that subsection (d) requires shall contain the information that is reasonably required by the administrator including the carrying capacity of the vehicle. When the vehicle is a tractor-trailer type, the trailer is the vehicle to be described. When additional vehicles are placed in service or when a vehicle previously listed is retired from service during the year, the administrator shall be notified within ten (10) days of the change so that the listing of the vehicles may be kept accurate.

(f) A distributor's or an Indiana transportation license is required for a person or the person's agent acting in the person's behalf to operate a vehicle for the purpose of delivering gasoline within the

boundaries of Indiana when the vehicle has a total tank capacity of at least eight hundred fifty (850) gallons.

(g) The operator of a vehicle to which this section applies shall at all times when engaged in the transporting of gasoline on the highways have with the vehicle an invoice or manifest showing the origin, quantity, nature, and destination of the gasoline that is being transported.

(h) The department shall provide for relief if a shipment of gasoline is legitimately diverted from the represented destination state after the shipping paper has been issued by a terminal operator or if a terminal operator failed to cause proper information to be printed on the shipping paper. Provisions for relief under this subsection:

(1) must require that the shipper or its agent provide notification to the department before a diversion or correction if an intended diversion or correction is to occur; and

(2) must be consistent with the refund provisions of this chapter.

As added by P.L.69-1991, SEC.8. Amended by P.L.129-2001, SEC.10; P.L.182-2009(ss), SEC.234.

IC 6-6-1.1-606.6

Penalties; improper delivery of gasoline

Sec. 606.6. (a) Except as provided in subsection (c), every person included within the terms of section 606(a) of this chapter who transports gasoline in a vehicle on the highways of Indiana in a vehicle having a total tank capacity of less than eight hundred fifty (850) gallons is liable to the state for a penalty equal to the rate provided in section 201 of this chapter on all gasoline transported into Indiana and delivered to any person other than a licensed distributor.

(b) Except as provided in subsection (c), every person included within the terms of section 606(c) of this chapter who transports gasoline in a vehicle on the highways of Indiana is liable to the state for a penalty equal to the rate provided in section 201 of this chapter on all gasoline:

(1) received by the person for transportation to a point outside Indiana;

(2) not in fact transported to a point outside Indiana; and

(3) in fact delivered to a person other than a licensed distributor inside Indiana.

(c) The following are excluded when computing any liability under this section:

(1) All deliveries of gasoline when the tax imposed by law was charged or collected by the parties under the circumstances described in this section.

(2) Deliveries of gasoline used in computing the tax under section 301 of this chapter.

As added by P.L.69-1991, SEC.9.

IC 6-6-1.1-607
Monthly accounting of all gasoline delivered to or withdrawn from refinery or terminal; lessor report of leased storage space

Sec. 607. (a) Every person owning or operating a refinery or terminal in Indiana shall, on forms prescribed by the administrator, make a monthly accounting to the administrator of all gasoline withdrawn from a refinery or terminal, and all gasoline delivered to and withdrawn from any terminal, whether or not the fuel is owned by the owner or operator.

(b) Every person owning or operating a refinery or terminal in Indiana who leases storage space in that refinery or terminal for gasoline to another person shall on forms prescribed by the administrator make a monthly accounting to the administrator with respect to the leased storage space. The report shall show the following:

(1) The name of the lessee.
(2) The volume of storage space that is leased.
(3) The volume of gasoline existing in that storage space at the beginning and end of the month.
(4) The monthly throughput which is:
(A) the total volume of gasoline put into the storage space during the month; and
(B) the total volume of gasoline removed from the storage space during the month.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.31; P.L.69-1991, SEC.10.

IC 6-6-1.1-608
Waiver of reports required by IC 6-6-1.1-606 and IC 6-6-1.1-607; time limitations

Sec. 608. The reports required by sections 606 and 607 of this chapter are for information purposes only and the administrator may waive their filing if they are unnecessary for the proper administration of this chapter. Persons required to file reports under this chapter shall file them with the administrator within the time period established by section 501 of this chapter for filing distributors' reports of gasoline received.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.32.

IC 6-6-1.1-701
Deduction for exempted gasoline

Sec. 701. A licensed distributor who receives gasoline that qualifies for an exemption under section 301 of this chapter is entitled to a deduction for that gasoline after furnishing such proof as the administrator may require. The deduction must be claimed on the report covering the month of export, loss, destruction, or sale.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.33.

IC 6-6-1.1-702
Sale or exchange agreement; deduction

Sec. 702. A licensed distributor who receives gasoline in Indiana and then delivers it to or for the account of another licensed distributor in Indiana under a sale or exchange agreement is entitled to a deduction for that gasoline. The deduction must be claimed on the report covering the month of delivery.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.34.

IC 6-6-1.1-703
Sale of tax exempt gasoline; deduction

Sec. 703. A licensed distributor who sells tax exempt gasoline described in section 302 of this chapter is entitled to a deduction for that gasoline. The deduction must be claimed on the report covering the month of sale.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.35.

IC 6-6-1.1-704
Refund or deduction

Sec. 704. A licensed distributor who pays any gasoline tax in error, or who is entitled to a refund or credit under this chapter, may, upon authorization by the administrator, take a deduction in lieu of a refund on subsequent monthly reports for the amount of gasoline on which the tax was paid.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.36.

IC 6-6-1.1-705
Deduction for evaporation, shrinkage, losses, and tax related expenses

Sec. 705. (a) If a monthly report is filed and the amount due is remitted at or before the time required by this chapter, a distributor is entitled to a deduction equal to one and six-tenths percent (1.6%) of the remainder of:

(1) the number of invoiced gallons of gasoline he received in Indiana during the preceding calendar month; minus

(2) the deductions claimed by the distributor under sections 701 through 704 of this chapter.

This deduction is a flat allowance to cover evaporation, shrinkage, losses (except losses covered by section 301(5) of this chapter), and the distributor's expenses in collecting and timely remitting the tax imposed by this chapter.

(b) If a monthly report is filed or the amount due is remitted later than the time required under this chapter, the distributor shall pay to the administrator all of the gasoline tax the distributor received from the sale of gasoline covered by the late report, reduced by payments made under IC 6-8.1-8-1.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980,

P.L.51, SEC.37; P.L.77-1985, SEC.3; P.L.59-1985, SEC.12; P.L.92-1987, SEC.6.

IC 6-6-1.1-801
Tax collected by distributor as state money in trust; liability; use restricted to authorized purposes

Sec. 801. Until a distributor pays the license tax on gasoline he receives, the tax money he collects on the sale of gasoline is state money. A distributor who collects such license tax money shall hold it in trust for the state and for payment to the department as provided in this chapter. In the case of a corporate or partnership distributor, every officer, employee, or member of the employer who in that capacity is under a duty to collect the tax, is personally liable for the tax, penalty, and interest. Taxes collected on gasoline, except those collected at a taxable marine facility, shall be used only for highway purposes and for payment of any part of the cost of traffic policing and traffic safety incurred by the state or any of its political subdivisions, as may be authorized by law.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.10; Acts 1980, P.L.51, SEC.38.

IC 6-6-1.1-801.5
Tax receipts; transfer to auditor; distribution

Sec. 801.5. (a) The administrator shall transfer one-ninth (1/9) of the taxes that are collected under this chapter to the state highway road construction and improvement fund.

(b) The administrator shall transfer one-eighteenth (1/18) of the taxes that are collected under this chapter to the state highway fund.

(c) The administrator shall transfer one-eighteenth (1/18) of the taxes that are collected under this chapter to the auditor of state for distribution to counties, cities, and towns. The auditor of state shall distribute the amounts transferred under this subsection to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1. Money distributed under this subsection may be used only for purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1.

(d) After the transfers required by subsections (a) through (c), the administrator shall transfer the next twenty-five million dollars ($25,000,000) of the taxes that are collected under this chapter and received during a period beginning July 1 of a year and ending June 30 of the immediately succeeding year to the auditor of state for distribution in the following manner:

(1) thirty percent (30%) to each of the counties, cities, and towns eligible to receive a distribution from the local road and street account under IC 8-14-2 and in the same proportion among the counties, cities, and towns as funds are distributed under IC 8-14-2-4;

(2) thirty percent (30%) to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1; and
(3) forty percent (40%) to the Indiana department of transportation.

(e) The auditor of state shall hold all amounts of collections received under subsection (d) from the administrator that are made during a particular month and shall distribute all of those amounts pursuant to subsection (d) on the fifth day of the immediately succeeding month.

(f) All amounts distributed under subsection (d) may only be used for purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1.

As added by Acts 1981, P.L.88, SEC.6. Amended by P.L.68-1988, SEC.2; P.L.18-1990, SEC.21; P.L.192-2002(ss), SEC.133.

IC 6-6-1.1-802
Deposit of tax receipts

Sec. 802. The administrator shall, after the transfer specified in section 801.5 of this chapter, deposit the remainder of the revenues collected under this chapter in the following manner:

(1) The taxes collected with respect to gasoline delivered to a taxable marine facility shall be deposited in the fish and wildlife fund established by IC 14-22-3-2.
(2) Twenty-five percent (25%) of the taxes collected under this chapter, except the taxes referred to in subdivision (1), shall be deposited in the highway, road and street fund established under IC 8-14-2-2.1.
(3) The remainder of the revenues collected under this chapter shall be deposited in the motor fuel tax fund of the motor vehicle highway account.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.39; Acts 1980, P.L.10, SEC.9; Acts 1981, P.L.93, SEC.2; Acts 1981, P.L.88, SEC.7; P.L.1-1995, SEC.50.

IC 6-6-1.1-803
Refunds and costs; payment

Sec. 803. All receipts of the motor fuel tax fund are available for payment of refunds authorized by this chapter and payment of the costs of administering and enforcing of this chapter.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-804
Repealed

(Repealed by Acts 1979, P.L.71, SEC.19.)

IC 6-6-1.1-805
Motor fuel tax fund; transfer of residue balance to highway

account

Sec. 805. Any balance remaining in the motor fuel tax fund after making the payments required by section 803 of this chapter shall be transferred to the motor vehicle highway account for distribution as provided by law.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.11.

IC 6-6-1.1-806

Repealed

(Repealed by Acts 1981, P.L.93, SEC.11.)

IC 6-6-1.1-901

Refund to purchaser for gasoline lost or destroyed; limitations; requisites; distributor excepted

Sec. 901. A person, except a distributor, who has purchased gasoline in Indiana and has paid the tax imposed on it by this chapter is entitled to a refund (without interest) of the amount of tax paid on gasoline in excess of one hundred (100) gallons which is lost or destroyed, except by evaporation, shrinkage, or unknown cause, while he owns it. To obtain the refund, the person:

(1) must, within five (5) days after the loss or destruction is discovered, notify the administrator in writing of the amount of gasoline lost or destroyed; and

(2) must, within sixty (60) days after notice is given, file with the administrator an affidavit that is sworn to by the person having custody of the gasoline at the time of loss or destruction and that sets forth in full the circumstances and amount of the loss or destruction and any other information the administrator may require.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.40; Acts 1981, P.L.93, SEC.3.

IC 6-6-1.1-902

Refund to local transit system; requisites; interest

Sec. 902. (a) A local transit system is entitled to a refund of tax paid on gasoline used:

(1) for transporting persons for compensation by means of a motor vehicle or trackless trolley; or

(2) in a maintenance or an administrative vehicle that is used by the local transit system to support the transit service.

(b) The claim for refund must contain the following:

(1) A quarterly operating statement.

(2) A current balance sheet.

(3) A schedule of all salaries in excess of ten thousand dollars ($10,000) per annum paid to any officer or employee.

(c) If a refund is not issued within ninety (90) days of filing of the verified statement and all supplemental information required by IC 6-6-1.1-904.1, the department shall pay interest at the rate established by IC 6-8.1-9 computed from the date of filing of the

refund application until a date determined by the administrator that does not precede by more than thirty (30) days the date on which the refund is made.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.41; Acts 1981, P.L.93, SEC.4; P.L.1-1991, SEC.57; P.L.85-1995, SEC.11.

IC 6-6-1.1-902.5

Refund to rural transit system; claim; interest

Sec. 902.5. (a) A rural transit system is entitled to a refund of tax paid on gasoline used for transporting persons for compensation by means of a motor vehicle or trackless trolley. However, the transporting must be done:

(1) within a service area that is not larger than the rural transit system service area and the counties contiguous to that rural transit system service area; and

(2) under a written contract between the rural transit system and the county providers within the service area that meets the requirements prescribed by the department.

(b) The claim for refund must contain the following:

(1) A quarterly operating statement.

(2) A current balance sheet.

(3) A schedule of all salaries that exceed ten thousand dollars ($10,000) per year paid to any officer or employee.

(c) If a refund is not issued within ninety (90) days of filing of the verified statement and all supplemental information required by section 904.1 of this chapter, the department shall pay interest at the rate established by IC 6-8.1-10-1(c) computed from the date of filing of the refund application until a date determined by the administrator that does not precede by more than thirty (30) days the date on which the refund is made.

As added by P.L.45-1994, SEC.1. Amended by P.L.2-1995, SEC.34.

IC 6-6-1.1-903

Refund for tax paid on gasoline purchased or used for designated purposes; interest

Sec. 903. (a) A person is entitled to a refund of gasoline tax paid on gasoline purchased or used for the following purposes:

(1) Operating stationary gas engines.

(2) Operating equipment mounted on motor vehicles, whether or not operated by the engine propelling the motor vehicle.

(3) Operating a tractor used for agricultural purposes.

(3.1) Operating implements of agriculture (as defined in IC 9-13-2-77).

(4) Operating motorboats or aircraft.

(5) Cleaning or dyeing.

(6) Other commercial use, except propelling motor vehicles operated in whole or in part on an Indiana public highway.

(7) Operating a taxicab (as defined in section 103 of this chapter).

(b) If a refund is not issued within ninety (90) days of filing of the verified statement and all supplemental information required by IC 6-6-1.1-904.1, the department shall pay interest at the rate established by IC 6-8.1-9 computed from the date of filing of the verified statement and all supplemental information required by the department until a date determined by the administrator that does not precede by more than thirty (30) days the date on which the refund is made.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.12; Acts 1980, P.L.51, SEC.42; Acts 1981, P.L.93, SEC.5; P.L.97-1987, SEC.10; P.L.2-1991, SEC.40; P.L.1-1991, SEC.58; P.L.210-2005, SEC.2.

IC 6-6-1.1-904
Repealed

(Repealed by P.L.1-1991, SEC.59.)

IC 6-6-1.1-904.1
Refund; required procedures

Sec. 904.1. (a) To claim a refund under section 902, 902.5, or 903, of this chapter, a person must present to the administrator a statement that contains a written verification that it is made under penalties of perjury and that sets forth the total amount of gasoline purchased and used for purposes other than propelling a motor vehicle on an Indiana public highway. The statement must be filed by April 15 of the year succeeding three (3) years after the date the gasoline was purchased, and it must be accompanied by the original invoice or a certified copy of the original invoice. Such a copy must be certified by the supplier on forms prescribed by the administrator. In addition, the original invoice or certified copy must show either:

(1) that payment for the purchase has been made and the amount of tax paid on the purchase; or

(2) that the gasoline was charged to a credit card approved by the administrator under procedures designed to assure the state will not be liable for the credit card charges if the claimant does not pay for the purchases.

(b) The administrator may make any investigations the administrator considers necessary before refunding the gasoline taxes to the consumer.

As added by P.L.1-1991, SEC.60. Amended by P.L.45-1994, SEC.2.

IC 6-6-1.1-905
Repealed

(Repealed by P.L.96-1989, SEC.25.)

IC 6-6-1.1-906
Refunds or credits; rules and regulations

Sec. 906. The department shall adopt necessary rules and regulations consistent with this chapter for the filing of refund or credit claims and for the granting of refunds or credits.

As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.1-2010, SEC.35.

IC 6-6-1.1-907
Refund or deduction; payment of tax in error; warrant; payment; requisites

Sec. 907. (a) If the administrator determines that a licensed distributor has paid gasoline tax in error or is entitled to a refund or deduction, the administrator may issue a warrant in favor of that person. The treasurer of state shall accept the warrant and make payment out of the revolving fund established in section 909 of this chapter.

(b) No refund shall be made under this section unless the written claim describes the reason the refund should be allowed. The claim must be sworn to by the claimant and filed with the administrator, on forms prescribed by the administrator, within three (3) years after the end of the calendar year containing the taxable period in which the tax was erroneously collected.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.44; P.L.97-1987, SEC.11.

IC 6-6-1.1-908
Deduction in lieu of warrant for payment of refund

Sec. 908. In lieu of issuing the warrant prescribed by section 907(a) of this chapter, the administrator may elect to permit the deduction authorized by section 704 of this chapter.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-909
Gasoline tax refund account

Sec. 909. The administrator shall establish a revolving fund known as the gasoline tax refund account. The amount in the fund may not exceed seventy-five thousand dollars ($75,000), and the administrator shall maintain the fund in a public depository designated by the state board of finance. The administrator shall draw checks against the fund for each approved refund. As the checks are returned paid by the depository, the administrator shall issue a warrant on the motor fuel tax fund in the amount of the checks returned paid, for the purpose of maintaining the depository balance at the authorized amount.

As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-910
Class action for refund of tax; prerequisites

Sec. 910. A class action for the refund of a tax subject to this chapter may not be maintained in any court, including the Indiana tax court, on behalf of any person who has not complied with the requirements of sections 901 through 908 of this chapter before the certification of a class. A refund of taxes to a member of a class in a class action is subject to the time limits set forth in sections 901

through 908 of this chapter based on the time the class member filed the required claim for refund with the department.
As added by P.L.60-1990, SEC.1.

IC 6-6-1.1-1001
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1002
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1003
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1004
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1005
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1006
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1007
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1008
Sealing pumps; impoundment of vehicles or tanks; report of meter readings

Sec. 1008. (a) If any of the conditions specified in subsection (b) occur, the administrator may seal a gasoline pump, gasohol pump, aviation gasoline pump, or marina gasoline pump; impound any vehicle or tank that does not have a sealable pump; and post a sign that states that no transactions involving gasoline or gasohol, or both, can be made at the person's location.

(b) The administrator may take the actions specified in subsection (a) if:

(1) a licensed distributor becomes delinquent in the payment of any amount due under this chapter;
(2) there is evidence that the revenue of a licensed distributor is in jeopardy;
(3) a distributor is operating without the license required by this chapter;
(4) a licensed distributor is operating without the bond, letter of

credit, or cash deposit required by this chapter; or

(5) a person has received gasoline in this state and the gasoline tax has not been remitted to the state as required by section 504 of this chapter.

(c) The pumps may be sealed and the sign posted until:

(1) all reports are filed and the fees, taxes, fines, and penalties imposed by this chapter are paid;

(2) the interest and penalties imposed by IC 6-8.1-10-1 and IC 6-8.1-10-2.1 are paid in full;

(3) the license required by this chapter is obtained; and

(4) the bond, letter of credit, or cash deposit required by this chapter is provided.

(d) The administrator may require any person operating under this chapter to report meter readings that show the amount of fuel dispensed or used from a metered pump.

(e) The administrator may authorize the state police department to impound any vehicle or tank under subsection (a) on behalf of the department of state revenue.

As added by P.L.97-1987, SEC.12. Amended by P.L.1-1991, SEC.61.

IC 6-6-1.1-1009
Cumulative remedies

Sec. 1009. The remedies provided to the department by this chapter are cumulative, and the election to use a remedy may not be construed to exclude the use of any other remedy.

As added by P.L.97-1987, SEC.13.

IC 6-6-1.1-1101
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1102
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1103
Requests of another state for information

Sec. 1103. Upon request from an official who enforces the gasoline laws of another state, the administrator shall furnish the official with any information he has relating to the receipt, sale, use, transportation, or shipment of gasoline by any person.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.48.

IC 6-6-1.1-1104
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1105
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1106
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1107
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1108
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1109
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1110
Gallonage totalizers; sealing; installation; evidence

Sec. 1110. (a) The administrator may seal gallonage totalizers of metered pumps operated by or on behalf of a dealer or licensed distributor.

(b) If the administrator determines that a metered pump operated by or on behalf of a dealer or licensed distributor is without an effectively sealable gallonage totalizer, the dealer or licensed distributor shall at the administrator's request:

(1) adapt the pump to the administrator's specifications so that it may be effectively sealed; or

(2) replace, in whole or in part, the pump with an effectively sealable gallonage totalizer, as determined by the administrator.

(c) A dealer's or licensed distributor's failure to comply with subsection (a) or (b) is considered evidence that the revenue of the dealer or licensed distributor is in jeopardy.

As added by P.L.97-1987, SEC.14.

IC 6-6-1.1-1201
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1202
Identification markings on transportation equipment

Sec. 1202. A vehicle which transports gasoline on a public Indiana highway must have the name and address of the person, firm, limited liability company, or corporation transporting the gasoline on both sides of the driver's compartment. The information must appear in letters at least six (6) inches high with a stroke at least three-fourths (3/4) inch wide and in a color contrasting to the background on which the letters are placed. However, a distributor licensed in Indiana is not required to display his name and address on

transportation equipment if the equipment is identified with the trade or product name or insignia generally used in identifying such equipment, and the name or insignia is well-known throughout the area in which the equipment is operated.
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.49; P.L.8-1993, SEC.98.

IC 6-6-1.1-1203
Separate statement of tax rate on sales or delivery slips, bills, or statements

Sec. 1203. Distributors and all persons selling gasoline shall state the rate of the tax separately from the price of the gasoline on all sales or delivery slips, bills, and statements which indicate the price of gasoline.
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.15; Acts 1980, P.L.51, SEC.50.

IC 6-6-1.1-1204
Political subdivisions; excise tax prohibited

Sec. 1204. (a) No city, town, county, township, or other subdivision or municipal corporation of the state may levy or collect:

(1) an excise tax on or measured by the sale, receipt, distribution, or use of gasoline; or

(2) an excise, privilege, or occupational tax on the business of manufacturing, selling, or distributing gasoline.

(b) The provisions of subsection (a) may not be construed as to relieve a distributor or dealer from payment of a state tax or state store license.
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.51; P.L.192-2002(ss), SEC.134.

IC 6-6-1.1-1205
Criminal proceedings; precedence

Sec. 1205. All criminal proceedings arising under this chapter have precedence in court over all other cases, excepting cases in which the state or public is a moving party.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.291-1985, SEC.8.

IC 6-6-1.1-1206
Suit against state to resolve tax dispute; jurisdiction; limitation

Sec. 1206. A person who claims that any gasoline tax, penalty, or interest was erroneously or illegally collected, or that a refund was wrongfully denied may initiate a suit against the state. The tax court has original jurisdiction of the suit, which must be commenced within three (3) years from:

(1) the date of payment of the tax, penalty, or interest; or

(2) the date of final rejection by the administrator of a refund claim.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979,

P.L.71, SEC.16; Acts 1980, P.L.51, SEC.52; P.L.291-1985, SEC.9.

IC 6-6-1.1-1301
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1302
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1303
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1304
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-6-1.1-1305
Submission of false information on invoice to support refund or credit; forfeiture
Sec. 1305. A person who changes the date, name, gallonage, or other information shown on an invoice used to support a refund or a credit claim under section 904.1 of this chapter, or who submits false information on an invoice, forfeits the right to a refund or credit on that invoice. However, the administrator may approve a claim supported by an altered or changed invoice if he finds that the change or alteration was not made to improperly obtain a refund.
As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1979, P.L.71, SEC.18; P.L.1-1991, SEC.62.

IC 6-6-1.1-1306
Fraudulent procurement of refund or credit; offense
Sec. 1306. A person who makes a false statement in connection with a refund or credit application under section 904.1 of this chapter, or who collects or causes to be repaid to a person money to which that person is not entitled commits a Class B infraction.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.1-1991, SEC.63.

IC 6-6-1.1-1307
Submission of multiple invoices for refund; offense
Sec. 1307. A person who submits an original invoice and a certified copy of an invoice, or two (2) or more certified copies of an invoice, to the administrator under section 904.1 of this chapter for the same transaction commits a Class B misdemeanor.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.1-1991, SEC.64.

IC 6-6-1.1-1308

Failure to pay tax collected to administrator; offense

Sec. 1308. A person who receives or collects money as tax imposed under this chapter on gasoline on which the person has not paid the tax, and knowingly fails to pay the money to the administrator as required under this chapter, commits a Level 6 felony.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.54; P.L.158-2013, SEC.92.

IC 6-6-1.1-1309

Distributor; violations; offense

Sec. 1309. Except as otherwise provided by this chapter, a distributor who:

(1) recklessly fails to file the returns or statements and to pay the taxes as required by this chapter; or

(2) knowingly fails to keep correct records, books, and accounts required by this chapter;

commits a Class B misdemeanor.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.61, SEC.9.

IC 6-6-1.1-1310

Use of untaxed gasoline; offense

Sec. 1310. A person who knowingly uses gasoline on which the tax has not been paid commits a Class B misdemeanor.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.55.

IC 6-6-1.1-1311

Use or sale in Indiana of tax-exempt gasoline purchased for export; offense; tax liability; export sales excepted

Sec. 1311. (a) Except as otherwise permitted by this chapter, a person who purchases tax-exempt gasoline for export and uses or sells any of the gasoline in Indiana with the intent to avoid payment of the tax imposed by this chapter commits a Class A misdemeanor. In addition, for purposes of this chapter, such a person is considered the "distributor" with respect to all gasoline so purchased and to have "received" the gasoline as defined in this chapter, and he is liable for the full amount of the tax imposed by this chapter on the gasoline and a penalty equal to fifty percent (50%) of that tax.

(b) Subsection (a) does not apply if the gasoline is sold in Indiana for export, provided the person furnishes proof at the time and in the manner prescribed by the administrator.

As added by Acts 1979, P.L.79, SEC.1. Amended by Acts 1980, P.L.51, SEC.56.

IC 6-6-1.1-1312

Reckless violations; offense

Sec. 1312. A person who recklessly violates a provision of this chapter for which no specific penalty is provided commits a Class B

misdemeanor.
As added by Acts 1979, P.L.79, SEC.1.

IC 6-6-1.1-1313
Evasion of tax; offense

Sec. 1313. A person who violates sections 1309 through 1311 of this chapter with intent to evade the tax imposed by this chapter or to defraud the state commits a Level 6 felony.
As added by Acts 1979, P.L.79, SEC.1. Amended by P.L.158-2013, SEC.93.

IC 6-6-1.1-1314
Failure to keep books and records; penalty

Sec. 1314. A person subject to the tax imposed under section 201 of this chapter who fails to keep books and records as required by IC 6-8.1-5 is subject to the penalty under IC 6-8.1-10-4.
As added by P.L.97-1987, SEC.15.

IC 6-6-1.1-1315
Failure to file reports; incomplete reports; civil penalty

Sec. 1315. A person who:

(1) is subject to the tax imposed by section 201 of this chapter; and

(2) fails to file a report or files an incomplete report required by section 501 or 606 of this chapter;

is subject to a civil penalty of one hundred dollars ($100) for each violation, as reasonably determined by the department. As used in this section, an incomplete report includes a report that does not include all schedules required by the administrator.
As added by P.L.97-1987, SEC.16.

IC 6-6-1.1-1316
Breaking fuel pump seals; failure to report meter readings; removing post signs; failure to notify; offenses

Sec. 1316. (a) A person:

(1) who knowingly breaks a seal on a sealed fuel pump without authorization; or

(2) who knowingly fails or refuses to report meter readings under section 1008 or section 1110 of this chapter;

commits a Level 6 felony.

(b) A person who, without authorization:

(1) removes;

(2) alters;

(3) defaces; or

(4) covers;

a sign posted by the department that states that no transactions involving gasoline, gasohol, aviation gasoline, or marina gasoline may be made at a location commits a Class B misdemeanor. However, the offense is a Level 6 felony if it is committed with the intent to evade the tax imposed by this chapter or to defraud the state.

(c) A dealer or licensed distributor shall notify the department of:

(1) a broken fuel pump seal; or

(2) a removed, altered, defaced, or covered sign that has been posted by the department.

(d) A dealer or licensed distributor that knowingly fails to notify the department, as required by subsection (c), within two (2) days after:

(1) a fuel pump seal is broken; or

(2) a sign posted by the department has been removed, altered, defaced, or covered;

commits a Level 6 felony.

As added by P.L.97-1987, SEC.17. Amended by P.L.158-2013, SEC.94.

IC 6-6-1.5
Repealed

(Repealed by Acts 1979, P.L.79, SEC.2.)

IC 6-6-2
Repealed

(Repealed by Acts 1980, P.L.51, SEC.66.)

IC 6-6-2.1
Repealed

(Repealed by P.L.277-2013, SEC.7.)

IC 6-6-2.5

Chapter 2.5. Special Fuel Tax

IC 6-6-2.5-1

"Alternative fuel"

Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas, not including a biodiesel fuel or biodiesel blend, used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane or propane.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.122-2006, SEC.19; P.L.277-2013, SEC.8; P.L.212-2014, SEC.4.

IC 6-6-2.5-1.5

"Biodiesel"

Sec. 1.5. (a) As used in this chapter, "biodiesel" means a renewable, biodegradable, mono alkyl ester combustible liquid fuel derived from agricultural plant oils or animal fats that meets American Society for Testing and Materials specifications D6751-03a Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels, as well as other fuels of the same derivation capable of use in the generation of power for the propulsion of a motor vehicle, airplane, or motorboat.

(b) As used in this chapter, "blended biodiesel" means a blend of biodiesel with petroleum diesel fuel so that the volume percentage of biodiesel in the blend is at least two percent (2%). A biodiesel blend may be described as "Bxx" where "xx" represents the volume percentage of biodiesel fuel. "B2" is the type of biodiesel blend with the least volume percentage of biodiesel fuel, and "B99" is the type of biodiesel fuel with the most volume percentage of biodiesel fuel. The term does not include biodiesel (B100).

As added by P.L.122-2006, SEC.20.

IC 6-6-2.5-2

"Blender"

Sec. 2. As used in this chapter, "blender" means a person who engages in the process of blending.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-3

"Blending"

Sec. 3. As used in this chapter, "blending" means the mixing of one (1) or more petroleum products, with or without another product, excluding biodiesel or blended biodiesel, if the product obtained by the blending is capable of use in the generation of power for the propulsion of a motor vehicle, an airplane, or a motorboat. The term does not include that blending that occurs in the process of refining by the original refiner of crude petroleum or the blending of a de minimis amount of products such as carburetor detergent, oxidation

inhibitor, lubricating oil, and greases.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.85-1995, SEC.13; P.L.122-2006, SEC.21.

IC 6-6-2.5-4
"Bulk end user"
Sec. 4. As used in this chapter, "bulk end user" means a person who receives into the person's own storage facilities at least two hundred forty thousand (240,000) gallons annually of special fuel for the person's own consumption.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-5
"Bulk plant"
Sec. 5. As used in this chapter, "bulk plant" means a gasoline or special fuel storage facility, other than a terminal, that is primarily used for redistribution of gasoline and special fuel by a motor vehicle with a capacity of not more than five thousand four hundred (5,400) gallons.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.85-1995, SEC.14.

IC 6-6-2.5-6
"Commissioner"
Sec. 6. As used in this chapter, "commissioner" means the administrative head of the department or that person's designee.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-7
"Department"
Sec. 7. As used in this chapter, "department" means the department of state revenue.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-8
"Destination state"
Sec. 8. As used in this chapter, "destination state" means the state for which a motor vehicle or barge is destined for off-loading into storage facilities for consumption or resale.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-8.5
"Dyed fuel user"
Sec. 8.5. As used in this chapter, "dyed fuel user" means a person that qualifies for the federal diesel fuel tax exemption under Section 4082 of the Internal Revenue Code to operate motor vehicles on the highways with dyed fuel in the fuel supply tank.
As added by P.L.61-1996, SEC.1.

IC 6-6-2.5-9

"Export"

Sec. 9. As used in this chapter, "export" means:

(1) with respect to a seller, when special fuel is delivered out-of-state by or for the seller; and

(2) with respect to a purchaser, when special fuel is delivered out-of-state by or for the purchaser.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-10

"Exporter"

Sec. 10. As used in this chapter, "exporter" means any person, other than a supplier, who purchases special fuel in Indiana for the purpose of transporting or delivering the fuel to another state or country.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-11

Repealed

(Repealed by P.L.210-2005, SEC.76.)

IC 6-6-2.5-12

"Heating oil"

Sec. 12. As used in this chapter, "heating oil" means a special fuel that is burned in a boiler, furnace, or stove for heating or industrial processing purposes.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-13

"Import"

Sec. 13. As used in this chapter, "import" means:

(1) with respect to a seller, when special fuel is delivered into Indiana from out-of-state by or for the seller; and

(2) with respect to a purchaser, when special fuel is delivered into Indiana from out-of-state by or for the purchaser.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-13.1

"Import verification number"

Sec. 13.1. As used in this chapter, "import verification number" means the number assigned by the department, or the department's designee or appointee, with respect to a single transport truck delivery into Indiana from another state upon request for an assigned number by a licensed importer or transporter carrying undyed or unmarked special fuel, or both, into Indiana for the account of a licensed importer.

As added by P.L.18-1994, SEC.12. Amended by P.L.85-1995, SEC.15.

IC 6-6-2.5-14

"Invoiced gallons"

Sec. 14. As used in this chapter, "invoiced gallons" means the gallons accurately billed on an invoice on payment to a supplier.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.13.

IC 6-6-2.5-15
"Liquid"
Sec. 15. As used in this chapter, "liquid" means any substance that is liquid in excess of sixty (60) degrees fahrenheit and a pressure of fourteen and seven-tenths (14.7) pounds per square inch absolute.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-16
"Motor vehicle"
Sec. 16. As used in this chapter, "motor vehicle" means a vehicle designed principally for road use and that is propelled by an internal combustion engine or motor.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.14.

IC 6-6-2.5-16.1
"Permissive supplier"
Sec. 16.1. As used in this chapter, "permissive supplier" means any person who does not meet the geographic jurisdictional connections to Indiana required of a supplier (as defined in section 23 of this chapter), but who holds an inventory position in a federally qualified terminal located outside of Indiana and who is registered under Section 4101 of the Internal Revenue Code.
As added by P.L.18-1994, SEC.15.

IC 6-6-2.5-16.5
"Natural gas product"
Sec. 16.5. As used in this chapter, "natural gas product" means:
(1) a liquid or compressed natural gas product; or
(2) a combination of liquefied petroleum gas and a compressed natural gas product;
used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance.
As added by P.L.212-2014, SEC.5.

IC 6-6-2.5-17
"Person"
Sec. 17. As used in this chapter, "person" means a natural person, a partnership, a firm, an association, a corporation, a representative appointed by a court, the state, a political subdivision (as defined in IC 36-1-2-13), or any other entity, group, or syndicate.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-18
"Public highway"

Sec. 18. As used in this chapter, "public highway" means the entire width between boundary lines of each publicly maintained way in Indiana, including streets and alleys in cities and towns, when any part of the way is open to the public use for motor vehicle travel.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.16.

IC 6-6-2.5-19
"Rack"
Sec. 19. As used in this chapter, "rack" means a dock, a platform, or an open bay with a series of metered pipes and hoses for delivering special fuel from a refinery or terminal into a motor vehicle, rail car, or marine vessel.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-20
"Received"
Sec. 20. As used in this chapter, "received" means the removal from any refinery or terminal in Indiana, or the entry into Indiana of any special fuel for consumption, use, sale, or warehousing, except for transfers in bulk into or within a terminal in Indiana between registered suppliers. The tax imposed under section 28 of this chapter with respect to special fuel removed from terminals within Indiana and with respect to special fuel which is the subject of a tax precollection agreement pursuant to section 35(j) of this chapter, shall be imposed at the same time and in the same manner as the tax imposed by Sections 4081 to 4083 of the Internal Revenue Code. The definitions of the terms "removal", "entry", and "transfers in bulk" shall have the same meanings described in the Internal Revenue Code or Code of Federal Regulations.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.17.

IC 6-6-2.5-21
"Retailer"
Sec. 21. As used in this chapter, "retailer" means a person that engages in the business of selling or distributing special fuel to the end user within Indiana.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-22
"Special fuel"
Sec. 22. As used in this chapter, "special fuel" means all combustible gases and liquids that are:

(1) suitable for the generation of power in an internal combustion engine or motor; or

(2) used exclusively for heating, industrial, or farm purposes other than for the operation of a motor vehicle.

Special fuel includes biodiesel and blended biodiesel (as defined in IC 6-6-2.5-1.5) and natural gas products. However, the term does not

include an alternative fuel, gasoline (as defined in IC 6-6-1.1-103), ethanol produced, stored, or sold for the manufacture of or compounding or blending with gasoline, kerosene, and jet fuel (if the purchaser of the jet fuel has provided to the seller proof of the purchaser's federal jet fuel registration at or before the time of sale).
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.18; P.L.122-2006, SEC.22; P.L.277-2013, SEC.9; P.L.212-2014, SEC.6.

IC 6-6-2.5-23
"Supplier"

Sec. 23. As used in this chapter, "supplier" means a person that imports or acquires immediately upon import into Indiana special fuel by pipeline or marine vessel from within a state, territory, or possession of the United States into a terminal or that imports special fuel into Indiana from a foreign country, or that produces, manufactures, or refines special fuel within Indiana, or that owns special fuel in the pipeline and terminal distribution system in Indiana, and is subject to the general taxing or police jurisdiction of Indiana, and in any case is also registered under Section 4101 of the Internal Revenue Code for transactions in taxable motor fuels in the bulk distribution system. A terminal operator shall not be considered a supplier merely because the terminal operator handles special fuel consigned to it within a terminal.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.19.

IC 6-6-2.5-24
"Terminal"

Sec. 24. As used in this chapter, "terminal" means a fuel storage and distribution facility that is supplied by pipeline or marine vessel, and from which special fuel may be removed at a rack and that has been registered as a qualified terminal by the Internal Revenue Service for receipt of taxable motor fuels free of federal motor fuel taxes.
As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.20.

IC 6-6-2.5-25
"Terminal operator"

Sec. 25. As used in this chapter, "terminal operator" means the person who by ownership or contractual agreement is charged with the responsibility and physical control over the operation of the terminal. However, there shall be only one (1) person charged with responsibility as operator at each terminal for purposes of this chapter.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-25.1
"Transfer in bulk into or within a terminal"

Sec. 25.1. As used in this chapter, "transfer in bulk into or within a terminal" includes the following:

(1) A marine barge movement of fuel from a refinery or terminal to a terminal.

(2) Pipeline movements of fuel from a refinery or terminal to terminal.

(3) Book transfers of product within a terminal between suppliers before completion of removal across the rack.

(4) Two (2) party exchanges between licensed suppliers and permissive suppliers.

As added by P.L.18-1994, SEC.21.

IC 6-6-2.5-25.9
"Transporter"

Sec. 25.9. As used in this chapter, "transporter" means the person and its agent, including the driver, that transports special fuel.

As added by P.L.85-1995, SEC.16.

IC 6-6-2.5-26
"Transmix"

Sec. 26. As used in this chapter, "transmix" means the buffer between two (2) different products in a pipeline shipment, or a mix of two (2) different products within a refinery or terminal that results in an off-grade mixture.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-26.1
"Transport truck"

Sec. 26.1. As used in this chapter, "transport truck" means a vehicle designed to transport motor fuel in bulk from a terminal in lots greater than five thousand four hundred (5,400) gallons.

As added by P.L.18-1994, SEC.22. Amended by P.L.85-1995, SEC.17.

IC 6-6-2.5-26.2
"Two party exchange"

Sec. 26.2. As used in this chapter, "two (2) party exchange" means a transaction in which a product is transferred from one (1) licensed supplier or permissive supplier to another when:

(1) the transaction includes a transfer from the person who holds the original inventory position for special fuel in the terminal as indicated in the records of the terminal operator; and

(2) the exchange transaction is completed before removal from the terminal by the receiving exchange partner, provided that the terminal operator in the terminal operator's books and records treats the receiving exchange party as the supplier that receives the product for purposes of reporting the events to the state of Indiana.

As added by P.L.18-1994, SEC.23.

IC 6-6-2.5-26.5
"Truck stop"

Sec. 26.5. As used in this chapter, "truck stop" means a place of business designed for providing service to trucks and truck drivers, including selling fuel to truck drivers and providing support facilities for truck drivers.

As added by P.L.227-2013, SEC.18.

IC 6-6-2.5-27
"Wholesaler"

Sec. 27. As used in this chapter, "wholesaler" means a person that acquires special fuel from a supplier or from another wholesaler for subsequent resale to a retail establishment or bulk end user by tank cars, motor vehicles, or both.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.24.

IC 6-6-2.5-28
License tax; presumptions; computation; liability for collection and remittance; sulfur content; penalty

Sec. 28. (a) A license tax of sixteen cents ($0.16) per:

(1) gallon;

(2) diesel gallon equivalent (as defined in IC 6-6-4.1-1(f)), in the case of a special fuel that is liquid natural gas; or

(3) gasoline gallon equivalent (as defined in IC 6-6-4.1-1(g)), in the case of a special fuel that is compressed natural gas;

is imposed on all special fuel sold or used in producing or generating power for propelling motor vehicles except fuel used under section 30(a)(8) or 30.5 of this chapter. The tax shall be paid at those times, in the manner, and by those persons specified in this section and section 35 of this chapter.

(b) The department shall consider it a rebuttable presumption that all undyed or unmarked special fuel, or both, received in Indiana is to be sold for use in propelling motor vehicles.

(c) Except as provided in subsection (d), the tax imposed on special fuel by subsection (a) shall be measured by invoiced gallons (or diesel or gasoline gallon equivalents in the case of a special fuel described in subsection (a)(2) or (a)(3)) of nonexempt special fuel received by a licensed supplier in Indiana for sale or resale in Indiana or with respect to special fuel subject to a tax precollection agreement under section 35(d) of this chapter, such special fuel removed by a licensed supplier from a terminal outside of Indiana for sale for export or for export to Indiana and in any case shall generally be determined in the same manner as the tax imposed by Section 4081 of the Internal Revenue Code and Code of Federal Regulations.

(d) The tax imposed by subsection (a) on special fuel imported into Indiana, other than into a terminal, is imposed at the time the product is entered into Indiana and shall be measured by invoiced gallons received at a terminal or at a bulk plant.

(e) In computing the tax, all special fuel in process of transfer

from tank steamers at boat terminal transfers and held in storage pending wholesale bulk distribution by land transportation, or in tanks and equipment used in receiving and storing special fuel from interstate pipelines pending wholesale bulk reshipment, shall not be subject to tax.

(f) The department shall consider it a rebuttable presumption that special fuel consumed in a motor vehicle plated for general highway use is subject to the tax imposed under this chapter. A person claiming exempt use of special fuel in such a vehicle must maintain adequate records as required by the department to document the vehicle's taxable and exempt use.

(g) A person that engages in blending fuel for taxable sale or use in Indiana is primarily liable for the collection and remittance of the tax imposed under subsection (a). The person shall remit the tax due in conjunction with the filing of a monthly report in the form prescribed by the department.

(h) A person that receives special fuel that has been blended for taxable sale or use in Indiana is secondarily liable to the state for the tax imposed under subsection (a).

(i) A person may not use special fuel on an Indiana public highway if the special fuel contains a sulfur content that exceeds five one-hundredths of one percent (0.05%). A person who knowingly:

(1) violates; or

(2) aids or abets another person to violate;

this subsection commits a Class A infraction. However, the violation is a Class A misdemeanor if the person has committed one (1) prior unrelated violation of this subsection, and a Level 6 felony if the person has committed more than one (1) unrelated violation of this subsection.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.25; P.L.85-1995, SEC.18; P.L.33-2007, SEC.1; P.L.277-2013, SEC.10; P.L.158-2013, SEC.95; P.L.190-2014, SEC.24.

IC 6-6-2.5-29

Inventory tax; exclusions; amount

Sec. 29. (a) Persons having title to special fuel in storage and held for sale on the effective date of an increase in the license tax rate imposed under section 28 of this chapter are subject to an inventory tax based on the gallons in storage as of the close of the business day preceding the effective date of the increased license tax rate.

(b) Persons subject to the tax imposed under this section shall:

(1) take an inventory to determine the gallons in storage for purposes of determining the inventory tax;

(2) report the gallons listed in subdivision (1) on forms provided by the commissioner; and

(3) pay the tax due not more than thirty (30) days after the prescribed inventory date.

In determining the amount of special fuel tax due under this section, the person may exclude the amount of special fuel that will not be pumped out of the storage tank because the special fuel is below the

mouth of the draw pipe. For this purpose, the person may deduct two hundred (200) gallons for a storage tank with a capacity of less than ten thousand (10,000) gallons, and four hundred (400) gallons for a storage tank with a capacity that exceeds ten thousand (10,000) gallons.

(c) The amount of the inventory tax is equal to the inventory tax rate times the gallons in storage as determined under subsection (b). The inventory tax rate is equal to the difference of the increased license tax rate minus the previous license tax rate.

(d) The inventory tax shall be considered a listed tax for the purposes of IC 6-8.1.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-30

Exemptions from special fuel tax; provision of export information; refunds

Sec. 30. (a) The following are exempt from the special fuel tax:

(1) Special fuel sold by a supplier to a licensed exporter for export from Indiana to another state or country to which the exporter is specifically licensed to export exports by a supplier, or exports for which the destination state special fuel tax has been paid to the supplier and proof of export is available in the form of a destination state bill of lading.

(2) Special fuel sold to the United States or an agency or instrumentality thereof.

(3) Special fuel sold to a post exchange or other concessionaire on a federal reservation within Indiana. However, the post exchange or concessionaire shall collect, report, and pay quarterly to the department any tax permitted by federal law on special fuel sold.

(4) Special fuel sold to a public transportation corporation established under IC 36-9-4 and used for the transportation of persons for compensation within the territory of the corporation.

(5) Special fuel sold to a public transit department of a municipality and used for the transportation of persons for compensation within a service area, no part of which is more than five (5) miles outside the corporate limits of the municipality.

(6) Special fuel sold to a common carrier of passengers, including a business operating a taxicab (as defined in IC 6-6-1.1-103(l)) and used by the carrier to transport passengers within a service area that is not larger than one (1) county, and counties contiguous to that county.

(7) The portion of special fuel determined by the commissioner to have been used to operate equipment attached to a motor vehicle, if the special fuel was placed into the fuel supply tank of a motor vehicle that has a common fuel reservoir for travel on a highway and for the operation of equipment.

(8) Special fuel used for nonhighway purposes, used as heating oil, or in trains.

(9) Special fuel sold by a supplier to an unlicensed person for export from Indiana to another state and the special fuel has been dye addityzed in accordance with section 31 of this chapter.

(10) Sales of transmix between licensed suppliers.

(b) The exemption from tax provided under subsection (a)(4) through (a)(7) shall be applied for through the refund procedures established in section 32 of this chapter.

(c) The department shall provide information to licensed suppliers of the destination state or states to which exporters are authorized to export.

(d) Subject to gallonage limits and other conditions established by the department, the department shall provide for refund of the tax imposed by this chapter to a wholesale distributor exporting undyed special fuel out of a bulk plant in this state in a vehicle capable of carrying not more than five thousand four hundred (5,400) gallons if the destination of that vehicle does not exceed twenty-five (25) miles from the border of Indiana.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.26; P.L.100-1995, SEC.1.

IC 6-6-2.5-30.5

Exemption from special fuel tax; restricted personal, noncommercial use

Sec. 30.5. (a) Except as provided in subsection (b), special fuel is exempt from the special fuel tax if:

(1) the special fuel has a nominal biodiesel content of at least twenty percent (20%);

(2) the special fuel is used only for a personal, noncommercial use and is not for resale; and

(3) the individual using the special fuel:

(A) produces the biodiesel content of the special fuel; and

(B) obtains an exemption certificate under subsection (c) before using the special fuel.

(b) The maximum number of gallons of special fuel for which an individual may claim the exemption under this section in a year is equal to:

(1) two thousand (2,000); divided by

(2) the average percentage volume of biodiesel in each gallon used by the individual.

(c) The department shall issue an exemption certificate to an individual who produces evidence of nontaxability under subsection (a)(1), (a)(2), and (a)(3). A certificate issued under this subsection is valid for a period determined by the department, but not to exceed five (5) years. The department may allow an individual to renew an exemption certification for additional five (5) year periods. An exemption certificate applies only to special fuel described in subsection (a). An individual holding a certificate issued under this subsection shall notify the department:

(1) of any address change by the individual; and

(2) when the individual ceases using special fuel that is exempt under this section.

(d) An individual who is issued an exemption certificate under this section must submit to the department a report, in a form prescribed by the department, not later than January 20 of each year. The report must include:

(1) the number of gallons of special fuel in the immediately preceding year; and

(2) the average percentage volume of biodiesel in each gallon of special fuel;

to which the exemption was applied in the calendar year ending on the immediately preceding December 31.

(e) An individual who is issued an exemption certificate under this section is not subject to the reporting requirements under section 35 of this chapter.

As added by P.L.33-2007, SEC.2.

IC 6-6-2.5-31

Exempted special fuels; dye requirements and specifications; markers

Sec. 31. (a) Special fuel exempted under section 30(a)(8) of this chapter shall have dye added to it at or before the time of withdrawal at a terminal or refinery rack. At the option of the supplier, the dye added may be either:

(1) dye required to be added pursuant to United States Environmental Protection Agency requirements; or

(2) dye with specifications and amounts as required by the department.

(b) The department may require that special fuel exempted under section 30(a)(8) of this chapter shall have a marker added to the special fuel not later than the time of withdrawal at a terminal or refinery rack. The marker must meet the specifications required by the department.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.85-1995, SEC.19.

IC 6-6-2.5-32

Refunds; circumstances; claims; investigations

Sec. 32. (a) Special fuel tax that has been collected by a supplier on special fuel used for an exempt purpose, including section 30(a)(4) through 30(a)(7) of this chapter and pretaxed exempt fuel under section 30(a)(8) of this chapter, but which was not dyed or marked, or both, in accordance with section 31 of this chapter, shall be refunded by the department to the user or the user's assignee under rules adopted by the department, in accordance with subsection (c), upon presentation of proof of exempt use by the end user in the form that the department prescribes.

(b) Special fuel tax that has been collected by a supplier on special fuel that was removed from a terminal or refinery for delivery in Indiana, and was exported by a licensed exporter shall be refunded by

the department to the licensed exporter in accordance with subsection (c), upon presentation of proof of export in the form that the department prescribes.

(c) Special fuel tax that has been erroneously paid by a person shall be refunded by the department in accordance with subsection (d).

(d) To claim a refund under subsection (a) through (c), a person must present to the department a statement that contains a written verification that the claim is made under penalties of perjury and lists the total amount of special fuel purchased and used for non-highway purposes. The claim must be filed not more than three (3) years after the date the special fuel was purchased. The statement must show that payment for the purchase has been made and the amount of tax paid on the purchase has been remitted.

(e) The department may make any investigations it considers necessary before refunding the special fuel tax to a person.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.85-1995, SEC.20.

IC 6-6-2.5-32.5

Refund of special fuel tax; qualification; claim for refund

Sec. 32.5. (a) A person that pays the tax imposed by this chapter on the use of special fuel in the operation of an intercity bus (as defined in IC 9-13-2-83) is entitled to a refund of the tax without interest if the person has:

(1) consumed the special fuel outside Indiana;

(2) paid a special fuel tax or highway use tax for the special fuel in at least one (1) state or other jurisdiction outside Indiana; and

(3) complied with subsection (b).

(b) To qualify for a refund under this section, a special fuel user shall submit to the department a claim for a refund, in the form prescribed by the department, that includes the following information:

(1) Any evidence requested by the department of the following:

(A) Payment of the tax imposed by this chapter.

(B) Payment of taxes in another state or jurisdiction outside Indiana.

(2) Any other information reasonably requested by the department.

As added by P.L.85-1995, SEC.21.

IC 6-6-2.5-33

Payment of interest on refund claim

Sec. 33. If a claim for refund is not issued within ninety (90) days of the filing required by section 32 of this chapter, the department shall pay interest at the rate established by IC 6-8.1-9 from a date that is ninety (90) days after the date that the department receives the claim for refund and all necessary documentation until a date, determined by the commissioner, that does not precede by more than thirty (30) days, the date on which the refund is made.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.85-1995, SEC.22.

IC 6-6-2.5-34
Supplier deduction for gallons purchased; prohibition; customer refunds; application

Sec. 34. No supplier shall claim a deduction from taxable gallons for gallons actually purchased by the customer, notwithstanding that the supplier has issued a corrective credit or rebilling to a customer adjusting the tax liability. The only remedy available to a customer to offset liability for special fuel tax paid is to apply for a refund as provided by section 32(d) of this chapter.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-35
Collection and remittance of special fuel tax

Sec. 35. (a) The tax on special fuel received by a licensed supplier in Indiana that is imposed by section 28 of this chapter shall be collected and remitted to the state by the supplier who receives taxable gallons in accordance with subsection (b).

(b) On or before the fifteenth day of each month, licensed suppliers and licensed permissive suppliers shall make an estimated payment of all taxes imposed on transactions that occurred during the previous calendar month equal to:

(1) one hundred percent (100%) of the amount remitted by the licensed supplier or licensed permissive supplier for the month preceding the previous calendar month; or

(2) ninety-five percent (95%) of the amount actually due and payable by the licensed supplier or licensed permissive supplier for the previous month.

Any remaining tax imposed on transactions occurring during a calendar month shall be due and payable on or before the twentieth day of the following month, except as provided in subsection (i). Underpayments of estimated taxes due and owing the department are not subject to a penalty under section 63(a) of this chapter.

(c) A supplier who sells special fuel shall collect from the purchaser the special fuel tax imposed under section 28 of this chapter. At the election of an eligible purchaser, the seller shall not require a payment of special fuel tax from the purchaser at a time that is earlier than the date on which the tax is required to be remitted by the supplier under subsection (b). This election shall be subject to a condition that the eligible purchaser's remittances of all amounts of tax due the seller shall be paid by electronic funds transfer on or before the due date of the remittance by the supplier to the department, and the eligible purchaser's election under this subsection may be terminated by the seller if the eligible purchaser does not make timely payments to the seller as required by this subsection.

(d) As used in this section, "eligible purchaser" means a person who has authority from the department to make the election under subsection (c) and includes every person who is licensed and in good

standing as a special fuel dealer or special fuel user, as determined by the department, as of July 1, 1993, who has purchased a minimum of two hundred forty thousand (240,000) taxable gallons of special fuel each year in the preceding two (2) years, or who otherwise meets the financial responsibility and bonding requirements of subsection (e).

(e) Each purchaser that desires to make an election under subsection (c) shall present evidence of the purchaser's eligible purchaser status to the purchaser's seller. The department shall determine whether the purchaser is an eligible purchaser. The department may require a purchaser that pays the tax to a supplier to file with the department a surety bond payable to the state, upon which the purchaser is the obligor or other financial security, in an amount satisfactory to the department. The department may require that the bond indemnify the department against bad debt deductions claimed by the supplier under subsection (g).

(f) The department shall have the authority to rescind a purchaser's eligibility and election to defer special fuel tax remittances upon a showing of good cause, including failure to make timely payment under subsection (c), by sending written notice to all suppliers and eligible purchasers. The department may require further assurance of the purchaser's financial responsibility, or may increase the bond requirement for that purchaser, or any other action that the department may require to ensure remittance of the special fuel tax.

(g) In computing the amount of special fuel tax due, the supplier and permissive supplier shall be entitled to a deduction from the tax payable the amount of tax paid by the supplier that has become uncollectible from a purchaser. The department shall adopt rules establishing the evidence a supplier must provide to receive the deduction. The deduction shall be claimed on the first return following the date of the failure of the purchaser if the payment remains unpaid as of the filing date of that return or the deduction shall be disallowed. The claim shall identify the defaulting purchaser and any tax liability that remains unpaid. If a purchaser fails to make a timely payment of the amount of tax due, the supplier's deduction shall be limited to the amount due from the purchaser, plus any tax that accrues from that purchaser for a period of ten (10) days following the date of failure to pay. No additional deduction shall be allowed until the department has authorized the purchaser to make a new election under subsection (e). The department may require the deduction to be reported in the same manner as prescribed in Section 166 of the Internal Revenue Code.

(h) The supplier and each reseller of special fuel is considered to be a collection agent for this state with respect to that special fuel tax, which shall be set out on all invoices and billings as a separate line item.

(i) Except as provided in subsection (e), the tax imposed by section 28 of this chapter on special fuel imported from another state shall be paid by the licensed importer who has imported the nonexempt special fuel not later than three (3) business days after the earlier of:

(1) the time that the nonexempt special fuel entered into Indiana; or

(2) the time that a valid import verification number was assigned by the department under rules and procedures adopted by the department.

However, if the importer and the importer's reseller have previously entered into a tax precollection agreement as described in subsection (j), and the agreement remains in effect, the supplier with whom the agreement has been made shall become jointly liable with the importer for the tax and shall remit the tax to the department on behalf of the importer. This subsection does not apply to an importer with respect to imports in vehicles with a capacity of not more than five thousand four hundred (5,400) gallons.

(j) The department, a licensed importer, the reseller to a licensed importer, and a licensed supplier or permissive supplier may jointly enter into an agreement for the licensed supplier or permissive supplier to precollect and remit the tax imposed by this chapter with respect to special fuel imported from a terminal outside of Indiana in the same manner and at the same time as the tax would arise and be paid under this chapter if the special fuel had been received by the licensed supplier or permissive supplier at a terminal in Indiana. If the supplier is also the importer, the agreement shall be entered into between the supplier and the department. However, any licensed supplier or permissive supplier may make an election with the department to treat all out-of-state terminal removals with an Indiana destination as shown on the terminal-issued shipping paper as if the removals were received by the supplier in Indiana pursuant to section 28 of this chapter and subsection (a), for all purposes. In this case, the election and notice of the election to a supplier's customers shall operate instead of a three (3) party precollection agreement. The department may impose requirements reasonably necessary for the enforcement of this subsection.

(k) Each licensed importer who is liable for the tax imposed by this chapter on nonexempt special fuel imported by a fuel transport truck having less than five thousand four hundred (5,400) gallons capacity, for which tax has not previously been paid to a supplier, shall remit the special fuel tax for the preceding month's import activities with the importer's monthly report of activities. A licensed importer shall be allowed to retain two-thirds (2/3) of the collection allowance provided for in section 37(a) of this chapter for the tax timely remitted by the importer directly to the state, subject to the same pass through provided for in section 37(a) of this chapter.

(l) A licensed importer shall be allowed to retain two-thirds (2/3) of the amount allowed in section 37(a) of this chapter of the tax timely remitted by the licensed importer directly to the state, subject to the same pass through provided for in section 37(a) of this chapter.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.27; P.L.61-1996, SEC.2; P.L.65-1997, SEC.1.

IC 6-6-2.5-36

Remittance of tax; procedures; deadline

Sec. 36. All suppliers required to remit the special fuel tax shall remit the special fuel taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-37

Costs of collection, reporting, and remittance; retention of portion of remittance; amount; failure to report or remit on time

Sec. 37. (a) Every supplier and permissive supplier who properly remits tax under this chapter shall be allowed to retain one and six-tenths percent (1.6%) of the tax to cover the costs of collecting, reporting, and timely remitting the tax imposed by this chapter.

(b) The amount that the supplier is permitted to retain under subsection (a) shall be distributed by the supplier as follows:

(1) One-third (1/3) retained by the supplier.

(2) Two-thirds (2/3) to the wholesale distributor. If the special fuel is resold by that wholesale distributor or another wholesale distributor to an eligible purchaser, the last wholesale distributor in the distribution process shall pass on one-half (1/2) of the two-thirds (2/3) to the eligible purchaser.

(3) If an eligible purchaser is the direct purchaser from a supplier, and that retail dealer or bulk end user is responsible for shipping the product, then the supplier shall pass through two-thirds (2/3) to the retail dealer or bulk end user. If the supplier is responsible for shipping the product, the supplier shall retain two-thirds (2/3) and pass through one-third (1/3) to the eligible purchaser.

(c) If a monthly report is filed or the amount due is remitted later than the time required by this chapter, the supplier shall pay to the department all of the special fuel tax the dealer collected from the sale of special fuel during the reporting period.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.28.

IC 6-6-2.5-38

Duties and responsibilities of supplier in collection of tax; liability

Sec. 38. The tax the supplier collects on the sale of special fuel belongs to the state. A supplier shall hold the money in trust for the state and for payment to the department as provided in this chapter. In the case of a corporation or partnership, each officer, employee, or member of the employer who is in that capacity is under a duty to collect the tax, and is personally liable for the tax, penalty, and interest.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-39

Consumption of tax-exempt dyed or marked fuel for nonexempt purpose; remittance of tax

Sec. 39. Any person who has consumed tax-exempt dyed or marked special fuel, or both, for a nonexempt purpose, as permitted under section 62 of this chapter, shall remit the tax due by filing a monthly report and remitting the tax due on forms prescribed by the department.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.85-1995, SEC.23.

IC 6-6-2.5-40

Transportation of special fuel; requirements and procedures; violations

Sec. 40. (a) Each person operating a refinery, terminal, or bulk plant in Indiana shall prepare and provide to the driver of every vehicle receiving special fuel at the facility a shipping document setting out on its face the destination state as represented to the terminal operator by the shipper or the shipper's agent, except that an operator of a bulk plant in Indiana delivering special fuel into a vehicle with a capacity of not more than five thousand four hundred (5,400) gallons for subsequent delivery to an end consumer in Indiana is exempt from this requirement.

(b) Every person transporting special fuel in vehicles upon the Indiana public highways shall carry on board a shipping paper issued by the terminal operator or the bulk plant operator of the facility where the special fuel was obtained, which shipping paper shall set out on its face the state of destination of the special fuel transported in the vehicle, except that operators of vehicles with a capacity of not more than five thousand four hundred (5,400) gallons that have received special fuel at a bulk plant in Indiana for delivery to an end consumer in Indiana are exempt from this provision with respect to the special fuel. A person who violates this subsection commits a Class A infraction (as defined in IC 34-28-5-4).

(c) Every person transporting special fuel in vehicles upon the public highways of Indiana shall provide the original or a copy of the terminal issued shipping document accompanying the shipment to the operator of the retail outlet or bulk plant to which delivery of the shipment was made. A person who knowingly violates or knowingly aids and abets another person in violating this subsection commits a Level 6 felony.

(d) Each operator of a special fuel retail outlet or bulk plant shall receive, examine, and retain for a period of thirty (30) days at the delivery location the terminal issued shipping document received from the transporter for every shipment of special fuel that is delivered to that location, with record retention of the shipping paper of three (3) years required offsite. A person who knowingly violates or knowingly aids and abets another person in violating this subsection commits a Level 6 felony.

(e) No bulk end user, retail dealer, bulk plant operator, or wholesale distributor shall knowingly accept delivery of special fuel

into storage facilities in Indiana if that delivery is not accompanied by a shipping paper issued by the terminal operator or bulk plant operator that sets out on its face Indiana as the state of destination of the special fuel. A person who knowingly violates or knowingly aids and abets another person in violating this subsection commits a Level 6 felony.

(f) The department shall provide for relief in a case where a shipment of special fuel is legitimately diverted from the represented destination state after the shipping paper has been issued by the terminal operator or where the terminal operator failed to cause proper information to be printed on the shipping paper. These relief provisions shall include a provision requiring that the shipper or its agent provide notification before the diversion or correction to the department if an intended diversion or correction is to occur, and the relief provision shall be consistent with the refund provisions of this chapter.

(g) The supplier and the terminal operator shall be entitled to rely for all purposes of this chapter on the representation by the shipper or the shipper's agent as to the shipper's intended state of destination or tax exempt use. The shipper, the importer, the transporter, the shipper's agent, and any purchaser, not the supplier or terminal operator, shall be jointly liable for any tax otherwise due to the state as a result of a diversion of the special fuel from the represented destination state.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.29; P.L.85-1995, SEC.24; P.L.1-1998, SEC.80; P.L.158-2013, SEC.96.

IC 6-6-2.5-41

Licenses

Sec. 41. (a) Each supplier engaged in business in Indiana as a supplier shall first obtain a supplier's license. The fee for a supplier's license shall be five hundred dollars ($500).

(b) Any person who desires to collect the tax imposed by this chapter as a supplier and who meets the definition of a permissive supplier may obtain a permissive supplier's license. Application for or possession of a permissive supplier's license shall not in itself subject the applicant or licensee to the jurisdiction of Indiana for any other purpose than administration and enforcement of this chapter. The fee for a permissive supplier's license is fifty dollars ($50).

(c) Each terminal operator other than a supplier licensed under subsection (a) engaged in business in Indiana as a terminal operator shall first obtain a terminal operator's license for each terminal site. The fee for a terminal operator's license is three hundred dollars ($300).

(d) Each exporter engaged in business in Indiana as an exporter shall first obtain an exporter's license. However, in order to obtain a license to export special fuel from Indiana to another specified state, a person shall be licensed either to collect and remit special fuel taxes or be licensed to deal in tax free special fuel in that other specified

state of destination. The fee for an exporter's license is two hundred dollars ($200).

(e) Each person who is not licensed as a supplier shall obtain a transporter's license before transporting special fuel by whatever manner from a point outside Indiana to a point inside Indiana, or from a point inside Indiana to a point outside Indiana, regardless of whether the person is engaged for hire in interstate commerce or for hire in intrastate commerce. The registration fee for a transporter's license is fifty dollars ($50).

(f) Each person who wishes to cause special fuel to be delivered into Indiana on the person's own behalf, for the person's own account, or for resale to an Indiana purchaser, from another state in a fuel transport vehicle having a capacity of more than five thousand four hundred (5,400) gallons, or in a pipeline or barge shipment into storage facilities other than a qualified terminal, shall first make an application for and obtain an importer's license. The fee for an importer's license is two hundred dollars ($200). This subsection does not apply to a person who imports special fuel that is exempt because the special fuel has been dyed or marked, or both, in accordance with section 31 of this chapter. This subsection does not apply to a person who imports nonexempt special fuels meeting the following conditions:

(1) The special fuel is subject to one (1) or more tax precollection agreements with suppliers as provided in section 35 of this chapter.

(2) The special fuel tax precollection by the supplier is expressly evidenced on the terminal-issued shipping paper as specifically provided in section 62(e)(2) of this chapter.

(g) A person desiring to import special fuel to an Indiana destination who does not enter into an agreement to prepay Indiana special fuel tax to a supplier or permissive supplier under section 35 of this chapter on the imports must do the following:

(1) Obtain a valid license under subsection (f).

(2) Obtain an import verification number from the department not earlier than twenty-four (24) hours before entering the state with each import, if importing in a vehicle with a capacity of more than five thousand four hundred (5,400) gallons.

(3) Display a proper import verification number on the shipping document, if importing in a vehicle with a capacity of more than five thousand four hundred (5,400) gallons.

(h) The department may require a person that wants to blend special fuel to first obtain a license from the department. The department may establish reasonable requirements for the proper enforcement of this subsection, including the following:

(1) Guidelines under which a person may be required to obtain a license.

(2) A requirement that a licensee file reports in the form and manner required by the department.

(3) A requirement that a licensee meet the bonding requirements specified by the department.

(i) The department may require a person that:

(1) is subject to the special fuel tax under this chapter;

(2) qualifies for a federal diesel fuel tax exemption under Section 4082 of the Internal Revenue Code; and

(3) is purchasing red dyed low sulfur diesel fuel;

to register with the department as a dyed fuel user. The department may establish reasonable requirements for the proper enforcement of this subsection, including guidelines under which a person may be required to register and the form and manner of reports a registrant is required to file.

(j) A person who owns a truck stop in Indiana must obtain from the department a truck stop owner's license in the manner prescribed by the department. A truck stop owner's license must be renewed every two (2) years.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.30; P.L.85-1995, SEC.25; P.L.61-1996, SEC.3; P.L.227-2013, SEC.19.

IC 6-6-2.5-42

Application for license; form and content; investigation; fingerprints

Sec. 42. (a) Each application for a license under section 41 of this chapter shall be made upon a form prepared and furnished by the department. It shall be subscribed to by the applicant and shall contain the information as the department may reasonably require for the administration of this chapter, including the applicant's federal identification number and, with respect to the applicant for an exporter's license, a copy of the applicant's license to purchase or handle special fuel tax free in the specified destination state or states for which the export license is to be issued.

(b) The department shall investigate each applicant for a license under this section. No license shall be issued if the department determines that any one (1) of the following exists:

(1) The application is not filed in good faith.

(2) The applicant is not the real party in interest.

(3) The license of the real party in interest has been revoked for cause.

(4) Other reasonable cause for non-issuance exists.

(c) Applicants, including corporate officers, partners, and individuals, for a license issued by the commissioner may be required to submit their fingerprints to the commissioner at the time of applying. Officers of publicly held corporations and their subsidiaries shall be exempt from this fingerprinting provision. Fingerprints required by this section must be submitted on forms prescribed by the commissioner. The commissioner may forward to the Federal Bureau of Investigation or any other agency for processing all fingerprints submitted by license applicants. The receiving agency shall issue its findings to the commissioner. The license application fee shall be used to pay the costs of the investigation. The commissioner may maintain a file of fingerprints.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-43
Transporters; listing of vehicle descriptions with commissioner; contents

Sec. 43. (a) Each licensed transporter shall at the time of licensing and on an annual basis, list with the commissioner a description of all vehicles, including license numbers, to be used on the highways of Indiana in transporting special fuel from points outside Indiana to points inside Indiana and from points inside Indiana to points outside Indiana.

(b) The description required in subsection (a) must comply with what is reasonably required by the commissioner, including the carrying capacity of the vehicle. If the vehicle is a tractor-trailer type vehicle, the trailer is the vehicle that must be described. When additional vehicles are placed in service or when a vehicle previously listed is retired from service during the year, the commissioner shall be notified not more than ten (10) days after the change so that the listing of the vehicles may be kept accurate.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-44
Surety bond or cash deposit; filing by applicants

Sec. 44. (a) Concurrently with the filing of an application for a license under this chapter, the department may require the applicant to file with the commissioner a surety bond or cash deposit:

(1) in an amount determined by the commissioner of not less than two thousand dollars ($2,000) or not more than a two (2) month tax liability for the applicant as estimated by the commissioner; and

(2) conditioned upon the keeping of records and the making of full and complete reports and payments as required by this chapter.

(b) If the applicant files a bond, the bond must:

(1) be with a surety company approved by the commissioner;

(2) name the applicant as the principal and the state as the obligee; and

(3) be on forms prescribed by the department.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-45
Disclosure of financial records; increase in bond or cash deposit

Sec. 45. The commissioner may, at the commissioner's reasonable discretion, require a licensee to furnish current certified, audited financial statements. If the commissioner determines that a licensee's financial condition warrants an increase in the bond or cash deposit, the commissioner may require the licensee to furnish an increased bond or cash deposit.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-46

Filing of new bond; conditions; cancellation of license; reduction of cash deposit by judgment; additional deposit

Sec. 46. (a) The commissioner may require a licensee to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability upon the previous bond is discharged or reduced by the judgment rendered, payment made, or otherwise disposed of; or

(2) in the opinion of the commissioner, any surety on the previous bond becomes unsatisfactory.

If the new bond is unsatisfactory, the commissioner shall cancel the license. If the new bond is satisfactorily furnished, the commissioner shall release in writing the surety on the previous bond from any liability accruing after the effective date of the new bond.

(b) If a licensee has a cash deposit with the commissioner and the deposit is reduced by a judgment rendered, payment made, or otherwise disposed of, the commissioner may require the licensee to make a new deposit equal to the amount of the reduction.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-47

Deposit insufficient to ensure payment; written demand to file new bond; requirements; cancellation of license

Sec. 47. (a) If the commissioner reasonably determines that the amount of the existing bond or cash deposit is insufficient to ensure payment to the state of the tax and any penalty and interest for which the licensee is or may become liable, the licensee shall, upon written demand of the commissioner, file a new bond or increase the cash deposit. The commissioner shall allow the licensee at least thirty (30) days to secure the increased bond or cash deposit.

(b) The new bond or cash deposit must meet the requirements set forth in this chapter.

(c) If the new bond or cash deposit required under this section is unsatisfactory, the commissioner shall cancel the licensee's license certificate.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.31.

IC 6-6-2.5-48

Release of surety from liability; written request; notice; cancellation

Sec. 48. (a) Sixty (60) days after making a written request for release to the commissioner, the surety of a bond furnished by a licensee is released from any liability to the state accruing on the bond after the sixty (60) day period. The release does not affect any liability accruing before the expiration of the sixty (60) day period.

(b) The commissioner shall promptly notify the licensee furnishing the bond that a release has been requested. Unless the licensee obtains a new bond that meets the requirements of this chapter and files with the commissioner the new bond within the

sixty (60) day period, the commissioner shall cancel the license.

(c) Sixty (60) days after making a written request for release to the commissioner, the cash deposit provided by a licensee is canceled as security for any obligation accruing after the expiration of the sixty (60) day period. However, the commissioner may retain all or part of the cash deposit for up to three (3) years and one (1) day as security for any obligations accruing before the effective date of the cancellation. Any part of the deposit that is not retained by the commissioner shall be released to the licensee. Before the expiration of the sixty (60) day period, the licensee must provide the commissioner with a bond that satisfies the requirements of this chapter or the commissioner shall cancel the license.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-49

Denial of license; hearing; notice

Sec. 49. Before being denied a license, the department shall grant the applicant a hearing of which the applicant shall be given at least five (5) days written notice.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-50

Issuance of license

Sec. 50. If the application and bond are approved, the department shall issue a license and as many copies as the licensee has places of business for which a license is required.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-51

Validity of license

Sec. 51. A license is valid until suspended, revoked for cause, or canceled.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-52

Transfer of license; prohibition

Sec. 52. No license is transferable to another person or to another place of business.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-53

Display of license at place of business

Sec. 53. Each license shall be preserved and conspicuously displayed at the place of business for which it is issued.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-54

Discontinuance of business; surrender of license

Sec. 54. Upon the discontinuance of the business, the license issued for the place shall be immediately surrendered to the

department.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-55
Notice of discontinuance, sale, or transfer of business; content; liability

Sec. 55. Whenever any person licensed to do business under this chapter discontinues, sells, or transfers the business, the licensee shall immediately notify the department in writing of the discontinuance, sale, or transfer. The notice shall give the date of discontinuance, sale, or transfer and in the event of the sale or transfer of the business, the name and address of the purchaser or transferee. The licensee shall be liable for all taxes, interest, and penalties that accrue or may be owing and any criminal liability for misuse of the license that occurs prior to issuance of the notice.
As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-56
Repealed

(Repealed by P.L.61-1996, SEC.24.)

IC 6-6-2.5-56.5
Suppliers, permissive suppliers, and licensed importers; reporting requirements; violations

Sec. 56.5. (a) For the purpose of determining the amount of special tax due, every supplier shall file with the department on forms prescribed and furnished by the department a verified statement by the supplier. The department may require the reporting of any information reasonably necessary to determine the amount of special fuel tax due.

(b) The reports required by this section that contain information for the preceding calendar month shall be filed before the twentieth day of each month.

(c) Each supplier and permissive supplier shall separately report:

(1) all loads of special fuel received by the supplier or permissive supplier for export to another state; and

(2) all loads of special fuel removed by the supplier or permissive supplier out of an out-of-state terminal for delivery to Indiana and sold tax free to persons for import into Indiana;

in accordance with the shipping papers issued by the terminal operator. A person who knowingly violates this subsection commits a Level 6 felony.

(d) Each licensed importer shall file monthly with the department a verified sworn statement of operations within Indiana and any other information with respect to the source and means of transportation of special fuel as the department may require and on forms prescribed and furnished by the department. A person who knowingly violates this subsection commits a Level 6 felony.
As added by P.L.65-1997, SEC.2. Amended by P.L.158-2013, SEC.97.

IC 6-6-2.5-57

Terminal operators; reporting requirements; inventory records

Sec. 57. (a) Each person operating a terminal in Indiana shall file monthly reports of operations within Indiana on forms prescribed by the department. The department may require the reporting of any information it considers reasonably necessary.

(b) For purposes of reporting and determining tax liability under this chapter, every licensee shall maintain inventory records as required by the department.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-58

Final report upon discontinuance, sale, or transfer of business or revocation of license; payment of taxes and penalties

Sec. 58. Every licensee shall, upon the discontinuance, sale, or transfer of the business or upon the cancellation or revocation of a license, make a report as required under this chapter marked "Final Report", and shall pay all special fuel taxes and penalties that may be due the state except as may otherwise be provided by law. The payment shall be made to the department in accordance with sections 35 and 36 of this chapter.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-59

Exporters; reporting requirements

Sec. 59. Each person operating as an exporter shall file monthly reports with the department on forms prescribed and furnished by the department concerning the amount of special fuel exported from Indiana. The department may require the reporting of any information it considers reasonably necessary. However, the report shall contain the following information:

(1) The special fuel loaded in Indiana for delivery outside of Indiana.

(2) The gallons delivered to taxing jurisdictions outside Indiana.

(3) The name and federal employer identification number of the receiver of the exported special fuel.

(4) The date of the shipments.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-60

Transporters; reporting requirements; failure to report; penalty; waiver of report

Sec. 60. (a) Each person operating as a transporter in Indiana shall file monthly reports with the department on forms prescribed and furnished by the department concerning the amount of special fuel transported in Indiana. The department may require the reporting of any information it considers reasonably necessary to track the movement of special fuel in Indiana.

(b) If a transporter fails to make the reports required by this section, the person is subject to a civil penalty of one thousand

dollars ($1,000) for each violation, as reasonably determined by the department.

(c) The reports required by this section are for information purposes only and the commissioner may waive the filing of the reports if the reports are unnecessary for the proper administration of this chapter.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-61

Composite and modified reports

Sec. 61. The department may aggregate the information required in any of the reports required by this chapter into one (1) or more composite or modified reports in order to avoid duplicate reporting.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-62

Special fuel restrictions; violations; exemptions

Sec. 62. (a) No person shall import, sell, use, deliver, or store in Indiana special fuel in bulk as to which dye or a marker, or both, has not been added in accordance with section 31 of this chapter, or as to which the tax imposed by this chapter has not been paid to or accrued by a licensed supplier or licensed permissive supplier as shown by a notation on a terminal-issued shipping paper subject to the following exceptions:

(1) A supplier shall be exempt from this provision with respect to special fuel manufactured in Indiana or imported by pipeline or waterborne barge and stored within a terminal in Indiana.

(2) An end user shall be exempt from this provision with respect to special fuel in a vehicle supply tank when the fuel was placed in the vehicle supply tank outside of Indiana.

(3) A licensed importer, and transporter operating on the importer's behalf, that transports in vehicles with a capacity of more than five thousand four hundred (5,400) gallons, shall be exempt from this prohibition if the importer or the transporter has met all of the following conditions:

(A) The importer or the transporter before entering onto the highways of Indiana has obtained an import verification number from the department not earlier than twenty-four (24) hours before entering Indiana.

(B) The import verification number must be set out prominently and indelibly on the face of each copy of the terminal-issued shipping paper carried on board the transport truck.

(C) The terminal origin and the importer's name and address must be set out prominently on the face of each copy of the terminal-issued shipping paper.

(D) The terminal-issued shipping paper data otherwise required by this chapter is present.

(E) All tax imposed by this chapter with respect to previously requested import verification number activity on

the account of the importer or the transporter has been timely remitted.

In every case, a transporter acting in good faith is entitled to rely upon representations made to the transporter by the fuel supplier or importer and when acting in good faith is not liable for the negligence or malfeasance of another person. A person who knowingly violates or knowingly aids and abets another person in violating this subsection commits a Level 6 felony.

(b) No person shall export special fuel from Indiana unless that person has obtained an exporter's license or a supplier's license or has paid the destination state special fuel tax to the supplier and can demonstrate proof of export in the form of a destination state bill of lading. A person who knowingly violates or knowingly aids and abets another person in violating this subsection commits a Level 6 felony.

(c) No person shall operate or maintain a motor vehicle on any public highway in Indiana with special fuel contained in the fuel supply tank for the motor vehicle that contains dye or a marker, or both, as provided under section 31 of this chapter. This provision does not apply to persons operating motor vehicles that have received fuel into their fuel tanks outside of Indiana in a jurisdiction that permits introduction of dyed or marked, or both, special fuel of that color and type into the motor fuel tank of highway vehicles or to a person that qualifies for the federal fuel tax exemption under Section 4082 of the Internal Revenue Code and that is registered with the department as a dyed fuel user. A person who knowingly:

(1) violates; or

(2) aids and abets another person in violating;

this subsection commits a Class A infraction. However, the violation is a Class A misdemeanor if the person has committed one (1) prior unrelated violation of this subsection, and a Level 6 felony if the person has committed more than one (1) prior unrelated violation of this subsection.

(d) No person shall engage in any business activity in Indiana as to which a license is required by section 41 of this chapter unless the person shall have first obtained the license. A person who knowingly violates or knowingly aids and abets another person in violating this subsection commits a Level 6 felony.

(e) No person shall operate a motor vehicle with a capacity of more than five thousand four hundred (5,400) gallons that is engaged in the shipment of special fuel on the public highways of Indiana and that is destined for a delivery point in Indiana, as shown on the terminal-issued shipping papers, without having on board a terminal-issued shipping paper indicating with respect to any special fuel purchased:

(1) under claim of exempt use, a notation describing the load or the appropriate portion of the load as Indiana tax exempt special fuel;

(2) if not purchased under a claim of exempt use, a notation describing the load or the appropriate portion thereof as Indiana taxed or pretaxed special fuel; or

(3) if imported by or on behalf of a licensed importer instead of the pretaxed notation, a valid verification number provided before entry into Indiana by the department or the department's designee or appointee, and the valid verification number may be handwritten on the shipping paper by the transporter or importer.

A person is in violation of subdivision (1) or (2) (whichever applies) if the person boards the vehicle with a shipping paper that does not meet the requirements described in the applicable subdivision (1) or (2). A person in violation of this subsection commits a Class A infraction (as defined in IC 34-28-5-4).

(f) A person may not sell or purchase any product for use in the supply tank of a motor vehicle for general highway use that does not meet ASTM standards as published in the annual Book of Standards and its supplements unless amended or modified by rules adopted by the department under IC 4-22-2. The transporter and the transporter's agent and customer have the exclusive duty to dispose of any product in violation of this section in the manner provided by federal and state law. A person who knowingly:

(1) violates; or

(2) aids and abets another in violating;

this subsection commits a Level 6 felony.

(g) This subsection does not apply to the following:

(1) A person that:

(A) inadvertently manipulates the dye or marker concentration of special fuel or coloration of special fuel; and

(B) contacts the department within one (1) business day after the date on which the contamination occurs.

(2) A person that affects the dye or marker concentration of special fuel by engaging in the blending of the fuel, if the blender:

(A) collects or remits, or both, all tax due as provided in section 28(g) of this chapter;

(B) maintains adequate records as required by the department to account for the fuel that is blended and its status as a taxable or exempt sale or use; and

(C) is otherwise in compliance with this subsection.

A person may not manipulate the dye or marker concentration of a special fuel or the coloration of special fuel after the special fuel is removed from a terminal or refinery rack for sale or use in Indiana. A person who knowingly violates or aids and abets another person to violate this subsection commits a Level 6 felony.

(h) This subsection does not apply to a person that receives blended fuel from a person in compliance with subsection (g)(2). A person may not sell or consume special fuel if the special fuel dye or marker concentration or coloration has been manipulated, inadvertently or otherwise, after the special fuel has been removed from a terminal or refinery rack for sale or use in Indiana. A person who knowingly:

(1) violates; or
(2) aids and abets another to violate;
this subsection commits a Level 6 felony.

(i) A person may not engage in blending fuel for taxable use in Indiana without collecting and remitting the tax due on the untaxed portion of the fuel that is blended. A person who knowingly:
(1) violates; or
(2) aids and abets another to violate;
this subsection commits a Level 6 felony.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.33; P.L.85-1995, SEC.26; P.L.61-1996, SEC.4; P.L.1-1998, SEC.81; P.L.158-2013, SEC.98.

IC 6-6-2.5-63
Failure of suppliers, permissive suppliers, importers, and blenders to collect or timely remit tax; penalties

Sec. 63. (a) A supplier, permissive supplier, importer, or blender who knowingly fails to collect or timely remit tax otherwise required to be paid to the department under section 35 of this chapter or pursuant to a tax precollection agreement under section 35 of this chapter is liable for the uncollected tax plus a penalty equal to one hundred percent (100%) of the uncollected tax.

(b) Collection of a special fuel tax arising from an out-of-state transaction does not in itself subject a supplier or permissive supplier to the jurisdiction of Indiana for any tax liability arising outside of this chapter.

(c) A person who fails or refuses to pay over to the state the tax on special fuel at the time required in this chapter or who fraudulently withholds or appropriates or otherwise uses the money or any portion thereof belonging to the state commits a Level 6 felony.

(d) A person who negligently disregards any provision of this chapter is subject to a civil penalty of five hundred dollars ($500) for each separate occurrence of negligent disregard as determined by the commissioner.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.34; P.L.65-1997, SEC.3; P.L.158-2013, SEC.99.

IC 6-6-2.5-64
Civil penalties; exemption

Sec. 64. (a) If any person liable for the tax files a false or fraudulent return, there shall be added to the tax an amount equal to the tax the person evaded or attempted to evade.

(b) The department shall impose a civil penalty of one thousand dollars ($1,000) for a person's first occurrence of transporting special fuel without adequate shipping papers as required under sections 40, 41(g), and 62(e) of this chapter, unless the person shall have complied with rules adopted under IC 4-22-2. Each subsequent occurrence described in this subsection is subject to a civil penalty of five thousand dollars ($5,000).

(c) The department shall impose a civil penalty on the operator of

a vehicle of two hundred dollars ($200) for the initial occurrence, two thousand five hundred dollars ($2,500) for the second occurrence, and five thousand dollars ($5,000) for the third and each subsequent occurrence of a violation of either:

(1) the prohibition of use of dyed or marked special fuel, or both, on the Indiana public highways, except for a person that qualifies for the federal fuel tax exemption under Section 4082 of the Internal Revenue Code and that is registered with the department as a dyed fuel user; or

(2) the use of special fuel in violation of section 28(i) of this chapter.

(d) A supplier that makes sales for export to a person:

(1) who does not have an appropriate export license; or

(2) without collection of the destination state tax on special fuel nonexempt in the destination state;

shall be subject to a civil penalty equal to the amount of Indiana's special fuel tax in addition to the tax due.

(e) The department may impose a civil penalty of one thousand dollars ($1,000) for each occurrence against every terminal operator that fails to meet shipping paper issuance requirements under section 40 of this chapter.

(f) Each importer or transporter who knowingly imports undyed or unmarked special fuel, or both, in a transport truck without:

(1) a valid importer license;

(2) a supplier license;

(3) an import verification number, if transporting in a vehicle with a capacity of more than five thousand four hundred (5,400) gallons; or

(4) a shipping paper showing on the paper's face as required under this chapter that Indiana special fuel tax is not due;

is subject to a civil penalty of ten thousand dollars ($10,000) for each occurrence described in this subsection.

(g) This subsection does not apply to a person if section 62(g) of this chapter does not apply to the person. A:

(1) person that manipulates the dye or marker concentration of special fuel or the coloration of special fuel after the special fuel is removed from a terminal or refinery rack for sale or use in Indiana; and

(2) person that receives the special fuel;

are jointly and severally liable for the special fuel tax due on the portion of untaxed fuel plus a penalty equal to the greater of one hundred percent (100%) of the tax due or one thousand dollars ($1,000).

(h) A person that engages in blending fuel for taxable sale or use in Indiana and does not collect and remit all tax due on untaxed fuel that is blended is liable for the tax due plus a penalty that is equal to the greater of one hundred percent (100%) of the tax due or one thousand dollars ($1,000).

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.35; P.L.85-1995, SEC.27; P.L.61-1996, SEC.5.

IC 6-6-2.5-65
Shipping documents; violations; impoundment, seizure, and sale of vehicle; evidence; release

Sec. 65. (a) If a person is found operating a motor vehicle in violation of section 40(b), 40(c), or 62(e) of this chapter, the vehicle and its cargo is subject to impoundment, seizure, and subsequent sale, in accordance with IC 6-8.1. The failure of the operator of a motor vehicle to have on-board when loaded a terminal-issued bill of lading with a destination state machine printed on its face or which fails to meet the descriptive annotation requirements in section 40(b), 41(g)(2), 41(g)(3), or 62(e) of this chapter, whichever may apply, shall be presumptive evidence of a violation sufficient to warrant impoundment and seizure of the vehicle and its cargo.

(b) After a person:

(1) is found in violation of section 62(c) of this chapter; and

(2) pays the tax due to the state;

the department shall issue a release to the person. The release must permit the dyed or marked special fuel, or both, that is the subject of the violation to be consumed on Indiana public highways within a grace period of twenty-four (24) hours after the time that the release is issued. After the grace period expires, the person shall be considered in violation of section 62(c) of this chapter if the person or the person's agent operates or maintains the same motor vehicle on an Indiana public highway with special fuel containing dye or a marker, or both.

As added by P.L.277-1993(ss), SEC.44. Amended by P.L.18-1994, SEC.36; P.L.85-1995, SEC.28; P.L.61-1996, SEC.6.

IC 6-6-2.5-66
Listed tax

Sec. 66. The special fuel tax is a listed tax for purposes of IC 6-8.1.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-67
Use of tax revenues

Sec. 67. The tax collected on the use of special fuel shall be used only for highway purposes and for payment of any part of the cost of traffic policing and traffic safety incurred by the state or any of its political subdivisions, as authorized by law.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-68
Transfer of funds to auditor; distribution

Sec. 68. (a) The administrator shall transfer the next twenty-five million dollars ($25,000,000) of the taxes that are collected under this chapter and received during a period beginning July 1 of a year and ending June 30 of the immediately succeeding year to the auditor of state for distribution in the following manner:

(1) Thirty percent (30%) to each of the counties, cities, and

towns eligible to receive a distribution from the local road and street account under IC 8-14-2 and in the same proportion among the counties, cities, and towns as funds are distributed under IC 8-14-2-4.

(2) Thirty percent (30%) to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1.

(3) Forty percent (40%) to the Indiana department of transportation.

(b) The auditor of state shall hold all amounts of collections received from the administrator that are made during a particular month and shall distribute all of those amounts under subsection (a) on the fifth day of the immediately succeeding month.

(c) All amounts distributed under subsection (a) may only be used for purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1.

(d) All revenue collected under this chapter shall be used in the same manner as the revenue collected under IC 6-6-1.1. The administrator shall, after the transfers specified in subsection (a), deposit the remainder of the revenues collected under this chapter in the same manner that revenues are deposited under IC 6-6-1.1-802.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-69

Class actions for refund of tax; prerequisites

Sec. 69. A class action for the refund of a tax subject to this chapter may not be maintained in any court, including the Indiana tax court, on behalf of a person who has not complied with sections 32 and 33 of this chapter before the certification of a class. A refund of taxes to a member of a class in a class action is subject to the time limits set forth in sections 33 and 34 of this chapter based on the time the class member filed the required claim for refund with the department.

As added by P.L.277-1993(ss), SEC.44.

IC 6-6-2.5-70

Inspections

Sec. 70. (a) The department may conduct inspections for and enforce the laws concerning coloration of diesel fuel violations, sulfur content violations, marker violations, and shipping paper violations at any place where taxable fuel is or may be loaded in transport vehicles, produced, or stored. These places may include, but are not limited to:

(1) a terminal;

(2) a fuel storage facility that is not a terminal;

(3) a retail fuel facility; or

(4) a designated inspection site (defined as any state highway inspection station, weigh station, agricultural inspection station,

mobile station, or other location designated by the commissioner).

(b) Inspections to determine violations under this chapter and enforcement of this chapter may be conducted by the state police department, agents of the department, Indiana state police motor carrier inspectors (in addition to their duties defined under IC 10-11-2-26), and any other law enforcement officer through procedures established by the department. Agents of the department have the same power and authority provided to authorized personnel under IC 16-44-2-11 and IC 16-44-2-12.

(c) The department may determine and approve all equipment used to test dyes, markers, and the chemical composition of fuel inspected under this chapter.

As added by P.L.18-1994, SEC.37. Amended by P.L.85-1995, SEC.29; P.L.2-2003, SEC.37.

IC 6-6-2.5-71

Sealing special fuel or kerosene pump; compliance; penalty

Sec. 71. (a) The department or any agent of the department may seal a special fuel or kerosene pump or impound a vehicle that does not have a sealable pump and post a sign that states that transactions involving special fuel or kerosene may not be made at the person's location if any of the following occur:

(1) A person becomes delinquent in payment of a tax due under this chapter.

(2) There is evidence that the revenue of the seller of fuel is in jeopardy.

(3) A person sells special fuel or kerosene without being licensed as required by this chapter.

(4) A person sells special fuel or kerosene without being bonded as required by the department.

(5) A person sells fuel that is taxable under this chapter without charging special fuel tax. However, this subdivision does not apply to a seller that acts in good faith and sells undyed special fuel to a person with a valid tax exemption certificate on file with the seller.

(6) A person sells dyed or marked special fuel for use in a motor vehicle operated on a public highway.

(b) A pump sealed under subsection (a) may remain sealed and a sign posted under subsection (a) may remain posted until all of the following have occurred:

(1) All reports are filed and the fees and taxes imposed under this chapter are paid in full.

(2) The interest and penalties imposed under this chapter, IC 6-8.1-10-1, and IC 6-8.1-10-2 (repealed) are paid in full.

(3) The license required by this chapter is obtained.

(4) The bond, letter of credit, or cash deposit required by this chapter is provided in the amount required by the department.

(c) A person that sells special fuel or kerosene in Indiana shall allow the agents of the department to seal gallonage totalizers of

metered pumps operated by or on behalf of the person selling special fuel or kerosene.

(d) If the department determines that a person is selling special fuel or kerosene from a metered pump in Indiana without an effectively sealable gallonage totalizer, the seller, at the department's request, shall:

(1) adapt the pump to the department's specifications so that the pump may be effectively sealed; or

(2) replace, in whole or in part, the pump with a pump employing an effectively sealable gallonage totalizer, as determined by the department.

(e) A person's failure to comply with subsection (c) or (d) shall be considered evidence that the revenue of the person is in jeopardy.

(f) A person that, without authorization, removes, alters, defaces, or covers a sign that:

(1) is posted by the department; and

(2) states that transactions involving special fuel or kerosene may not be made at a location;

commits a Class B misdemeanor. However, the offense is a Level 6 felony if the offense is committed with intent to evade the tax imposed by this chapter or defraud the state.

(g) A person that sells special fuel or kerosene shall notify the department of the following:

(1) A broken fuel pump seal.

(2) A removed, altered, defaced, or covered sign that was posted by the department.

(h) A person that sells special fuel or kerosene that fails to notify the department, as required by subsection (g), after:

(1) a fuel pump seal is broken; or

(2) a sign that was posted by the department is removed, altered, defaced, or covered;

commits a Level 6 felony.

As added by P.L.85-1995, SEC.30. Amended by P.L.158-2013, SEC.100.

IC 6-6-2.5-72

Reports; electronic filing

Sec. 72. The administrator may require that all reports required to be filed under section 56.5, 57, or 60 of this chapter must be filed in an electronic format prescribed by the administrator.

As added by P.L.176-2006, SEC.4.

IC 6-6-3
Repealed

(Repealed by Acts 1980, P.L.51, SEC.66.)

IC 6-6-4
Repealed

(Repealed by Acts 1982, P.L.59, SEC.7.)

IC 6-6-4.1

Chapter 4.1. Motor Carrier Fuel Tax

IC 6-6-4.1-1

Definitions

Sec. 1. As used in this chapter:

(a) "Carrier" means a person who operates or causes to be operated a commercial motor vehicle on any highway in Indiana.

(b) "Commercial motor vehicle" means a vehicle which is listed in section 2(a) of this chapter and which is not excluded from the application of this chapter under section 2(b) of this chapter.

(c) "Commissioner" means the commissioner of the Indiana department of state revenue.

(d) "Declared gross weight" means the weight at which a motor vehicle is registered with:

(1) the bureau of motor vehicles; or

(2) a state other than Indiana.

(e) "Department" means the Indiana department of state revenue.

(f) "Diesel gallon equivalent" means the amount of an alternative fuel that produces the same number of British thermal units of energy as a gallon of diesel fuel.

(g) "Gasoline gallon equivalent" means the amount of an alternative fuel that produces the same number of British thermal units of energy as a gallon of gasoline.

(h) "Highway" means the entire width between the boundary lines of every publicly maintained way that is open in any part to the use of the public for purposes of vehicular travel.

(i) "Motor fuel" means gasoline (as defined in IC 6-6-1.1), special fuel (as defined in IC 6-6-2.5), and alternative fuel (as defined in IC 6-6-2.5).

(j) "Quarter" means calendar quarter.

(k) "Motor vehicle" has the meaning set forth in IC 6-6-1.1-103.

(l) "Recreational vehicle" means motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure. A vehicle is not a recreational vehicle if the vehicle is used in connection with a business.

(m) "Alternative fuel" has the meaning set forth in IC 6-6-2.5-1.

(n) "Special fuel" has the meaning set forth in IC 6-6-2.5-22.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.73-1986, SEC.16; P.L.96-1989, SEC.8; P.L.60-1990, SEC.3; P.L.277-1993(ss), SEC.45; P.L.277-2013, SEC.11.

IC 6-6-4.1-2

Applicability of chapter

Sec. 2. (a) Except as provided in subsection (b), this chapter applies to each:

(1) road tractor;

(2) tractor truck;

(3) truck having more than two (2) axles;

(4) truck having a gross weight or a declared gross weight

greater than twenty-six thousand (26,000) pounds; and

(5) vehicle used in combination if the gross weight or the declared gross weight of the combination is greater than twenty-six thousand (26,000) pounds;

that is propelled by motor fuel.

(b) This chapter does not apply to the following:

(1) A vehicle operated by:

(A) this state;

(B) a political subdivision (as defined in IC 36-1-2-13);

(C) the United States; or

(D) an agency of states and the United States, or of two (2) or more states, in which this state participates.

(2) A school bus (as defined by the laws of a state) operated by, for, or on behalf of a:

(A) state;

(B) political subdivision (as defined in IC 36-1-2-13) of a state; or

(C) private or privately operated school.

(3) A vehicle used in casual or charter bus operations.

(4) Trucks, trailers, or semitrailers and tractors that are registered as farm trucks, farm trailers, or farm semitrailers and tractors under IC 9-18 or under a similar law of another state.

(5) An intercity bus (as defined in IC 9-13-2-83).

(6) A vehicle described in subsection (a)(1) through (a)(5) when the vehicle is displaying a dealer registration plate.

(7) A recreational vehicle.

(8) A pickup truck that:

(A) is modified to include a third free rotating axle;

(B) has a gross weight not greater than twenty-six thousand (26,000) pounds; and

(C) is operated solely for personal use and not for commercial use.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.89-1983, SEC.1; P.L.77-1985, SEC.26; P.L.97-1987, SEC.37; P.L.8-1988, SEC.3; P.L.96-1989, SEC.9; P.L.60-1990, SEC.4; P.L.2-1991, SEC.42; P.L.24-2007, SEC.1; P.L.45-2011, SEC.1; P.L.215-2014, SEC.1.

IC 6-6-4.1-3

Leased motor vehicles

Sec. 3. (a) Except as otherwise provided in this section, every commercial motor vehicle leased to a carrier is subject to this chapter to the same extent and in the same manner as commercial motor vehicles owned by the carrier.

(b) Except as provided in subsection (f), the department may consider a lessor of commercial motor vehicles to be a carrier with respect to the operation of the vehicles it leases to others if the lessor:

(1) supplies or pays for the motor fuel consumed by the vehicles; or

(2) makes rental or other charges calculated to include the cost

of the motor fuel consumed by the vehicles.

(c) The department shall provide, by rules adopted under IC 4-22-2, for the presentation by a lessor to other carriers and to the public of evidence and identification of carrier status determined under this section.

(d) Any commercial motor vehicles leased from a lessor who is considered a carrier under subsection (b) may be excluded from the lessee's reports and liabilities under this chapter.

(e) This section governs the primary liability under this chapter of lessors and lessees of commercial motor vehicles. If a lessor or lessee who is primarily liable fails, in whole or in part, to discharge the lessor's or lessee's liability, the lessor or lessee and the other lessor or lessee who is a party to the lease transaction are responsible for compliance with this chapter and are jointly and severally liable for payment of the tax. However, the aggregate taxes collected by the department may not exceed the amount of tax that would have resulted from the operation of the leased vehicle by the owner, plus any applicable costs and penalties.

(f) This subsection does not apply if the motor vehicle is leased to the same person under two (2) or more consecutive leases. If a motor vehicle is leased for less than thirty (30) days, the holder of an annual permit issued under section 12 of this chapter for the motor vehicle is liable for the motor carrier fuel tax.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.96-1989, SEC.10.

IC 6-6-4.1-4

Imposition of tax; rates; computation of amount of fuel consumed in Indiana

Sec. 4. (a) A tax is imposed on the consumption of motor fuel by a carrier in its operations on highways in Indiana. The rate of this tax is determined as follows:

(1) When imposed upon the consumption of gasoline or special fuel (other than a special fuel that is an alternative fuel), the tax rate is the same rate per gallon as the rate per gallon at which special fuel is taxed under IC 6-6-2.5.

(2) When imposed upon the consumption of a special fuel that is an alternative fuel, the tax rate is either of the following:

(A) The same rate per diesel gallon equivalent as the rate per gallon at which special fuel is taxed under IC 6-6-2.5, in the case of liquid natural gas.

(B) The same rate per gasoline gallon equivalent at which special fuel is taxed under IC 6-6-2.5, in the case of compressed natural gas or an alternative fuel commonly or commercially known or sold as butane or propane.

The tax shall be paid quarterly by the carrier to the department on or before the last day of the month immediately following the quarter.

(b) The amount of motor fuel consumed by a carrier in its operations on highways in Indiana is the total amount of motor fuel consumed in its entire operations within and without Indiana,

multiplied by a fraction. The numerator of the fraction is the total number of miles traveled on highways in Indiana, and the denominator of the fraction is the total number of miles traveled within and without Indiana.

(c) The amount of tax that a carrier shall pay for a particular quarter under this section equals the product of the tax rate in effect for that quarter, multiplied by the amount of motor fuel consumed by the carrier in its operation on highways in Indiana and upon which the carrier has not paid tax imposed under IC 6-6-1.1 or IC 6-6-2.5.

(d) Subject to section 4.8 of this chapter, a carrier is entitled to a proportional use credit against the tax imposed under this section for that portion of motor fuel used to propel equipment mounted on a motor vehicle having a common reservoir for locomotion on the highway and the operation of the equipment, as determined by rule of the commissioner. An application for a proportional use credit under this subsection shall be filed on a quarterly basis on a form prescribed by the department.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.90-1983, SEC.1; P.L.77-1985, SEC.27; P.L.59-1985, SEC.16; P.L.97-1987, SEC.38; P.L.69-1991, SEC.12; P.L.277-1993(ss), SEC.46; P.L.85-1995, SEC.31; P.L.222-1999, SEC.3; P.L.277-2013, SEC.12.

IC 6-6-4.1-4.5

Surtax on motor fuel consumed by carrier in Indiana highway operations

Sec. 4.5. (a) A surcharge tax is imposed on the consumption of motor fuel by a carrier in its operations on highways in Indiana. The rate of this surcharge tax is eleven cents ($0.11) per:

(1) gallon of gasoline or special fuel (other than natural gas or an alternative fuel commonly or commercially known or sold as butane or propane);

(2) diesel gallon equivalent of a special fuel that is liquid natural gas; or

(3) gasoline gallon equivalent of a special fuel that is compressed natural gas or an alternative fuel commonly or commercially known or sold as butane or propane.

The tax shall be paid quarterly by the carrier to the department on or before the last day of the month immediately following the quarter.

(b) The amount of motor fuel consumed by a carrier in its operations on highways in Indiana is the total amount of motor fuel consumed in its entire operations within and without Indiana, multiplied by a fraction. The numerator of the fraction is the total number of miles traveled on highways in Indiana, and the denominator of the fraction is the total number of miles traveled within and without Indiana.

(c) The amount of tax that a carrier shall pay for a particular quarter under this section equals the product of the tax rate in effect for that quarter, multiplied by the amount of motor fuel consumed by the carrier in its operation on highways in Indiana.

(d) Subject to section 4.8 of this chapter, a carrier is entitled to a

proportional use credit against the tax imposed under this section for that portion of motor fuel used to propel equipment mounted on a motor vehicle having a common reservoir for locomotion on the highway and the operation of this equipment as determined by rule of the commissioner. An application for a proportional use credit under this subsection shall be filed on a quarterly basis on a form prescribed by the department.

As added by P.L.59-1985, SEC.17. Amended by P.L.8-1988, SEC.4; P.L.69-1991, SEC.13; P.L.85-1995, SEC.32; P.L.222-1999, SEC.4; P.L.277-2013, SEC.13.

IC 6-6-4.1-4.7

Certification for proportional use credit

Sec. 4.7. (a) This section applies only to a claim for a proportional use credit under section 4(d) or 4.5(d) of this chapter for taxes first due and payable after July 31, 1999.

(b) A carrier must be certified by the department in order to qualify for a proportional use credit under section 4(d) or 4.5(d) of this chapter.

(c) A carrier must apply to the department for certification before April 1 of the first calendar year for which the proportional use credit will be claimed. An application for certification must be in writing upon forms prescribed by the department and must be signed and verified by the carrier. The department must include on all application forms suitable spaces for a listing of the following:

(1) The carrier's federal Social Security number or federal tax identification number.

(2) The address of the carrier's principal place of business.

(3) A description of each of the carrier's vehicles that has a common fuel supply reservoir for both locomotion on a public highway and a commercial purpose.

(4) The vehicle identification number for each vehicle described in subdivision (3).

(d) The department may certify that a carrier is qualified to claim a proportional use credit under section 4(d) or 4.5(d) of this chapter only upon payment by the carrier to the department of a one (1) time fee of seven dollars ($7). The carrier must pay the fee at the time the application for certification is submitted to the department. The department shall deposit the fee in the motor carrier regulation fund established by IC 8-2.1-23-1.

(e) A carrier must notify the department, on forms prescribed by the department, of any change of address by the carrier. The carrier must provide the notice not more than ten (10) days after the change of address. The department may revoke or suspend the certification of a carrier that fails to comply with this subsection.

(f) All certificates issued under this section are personal and may not be transferred.

(g) The department may require a carrier that has been issued a certificate under this section to submit additional information from time to time at reasonable intervals, as determined by the department.

(h) The department may adopt rules under IC 4-22-2 to carry out this section.
As added by P.L.222-1999, SEC.5.

IC 6-6-4.1-4.8
Claim for proportional use credit

Sec. 4.8. (a) This section applies only to a claim for a proportional use credit under section 4(d) or 4.5(d) of this chapter for taxes first due and payable after July 31, 1999.

(b) In order to obtain a proportional use credit against taxes imposed under section 4 or 4.5 of this chapter, a carrier must file a claim with the department. The claim must be submitted on a form prescribed by the department and must be filed with the quarterly return for the taxable period for which the proportional use credit is claimed. A carrier is not entitled to a proportional use credit under section 4(d) or 4.5(d) of this chapter unless the carrier:

(1) has paid in full the taxes to which the credit applies; and
(2) has filed a claim for the credit on or before the due date of the corresponding quarterly return for the taxable period for which the proportional use credit is claimed.

A credit approved under this section shall, subject to this section, be refunded to the carrier without interest.

(c) The department shall determine the aggregate amount of proportional use credits claimed under section 4(d) or 4.5(d) of this chapter for each quarter. The department may approve the full amount of a proportional use credit claimed by a carrier if the aggregate amount of proportional use credits claimed for the quarter and for the fiscal year do not exceed the limits set forth in subsection (d). If the aggregate amount of proportional use credits claimed in a quarter exceeds the limits set forth in subsection (d), the department shall pay the claims for that quarter on a pro rata basis.

(d) The department may not approve more than three million five hundred thousand dollars ($3,500,000) of proportional use credits under this section in a state fiscal year. In addition, the amount of proportional use credits the department may approve under this section for a quarter may not exceed the following:

(1) For the quarter ending September 30 of a year, an amount equal to one million three hundred seventy-five thousand dollars ($1,375,000).
(2) For the quarter ending December 31 of a year, an amount equal to:
  (A) six hundred twenty-five thousand dollars ($625,000); plus
  (B) the greater of zero (0) or the result of:
    (i) the limit determined for the previous quarter under this subsection; minus
    (ii) the aggregate amount of claims approved for the previous quarter.
(3) For the quarter ending March 31 of a year, an amount equal to:

(A) six hundred twenty-five thousand dollars ($625,000); plus

(B) the greater of zero (0) or the result of:

(i) the limit determined for the previous quarter under this subsection; minus

(ii) the aggregate amount of claims approved for the previous quarter.

(4) For the quarter ending June 30 of a year, an amount equal to:

(A) eight hundred seventy-five thousand dollars ($875,000); plus

(B) the greater of zero (0) or the result of:

(i) the limit determined for the previous quarter under this subsection; minus

(ii) the aggregate amount of claims approved for the previous quarter.

As added by P.L.222-1999, SEC.6. Amended by P.L.176-2006, SEC.5.

IC 6-6-4.1-5

Disposition of tax revenue

Sec. 5. (a) The department shall deposit revenue collected under sections 4 and 12 of this chapter in the state highway fund (IC 8-23-9-54).

(b) The department shall deposit revenue collected under section 4.5 of this chapter as follows:

(1) Forty-five and one-half percent (45.5%) in the state highway fund (IC 8-23-9-54).

(2) Forty-five and one-half percent (45.5%) in the motor vehicle highway account (IC 8-14-1).

(3) Nine percent (9%) in the motor carrier regulation fund administered by the department.

(c) The department shall deposit revenue collected under section 13 of this chapter as follows:

(1) Thirty-five percent (35%) in the motor vehicle highway account (IC 8-14-1).

(2) Sixty-five percent (65%) in the state highway fund (IC 8-23-9-54).

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.59-1985, SEC.18; P.L.8-1988, SEC.5; P.L.18-1990, SEC.23.

IC 6-6-4.1-6

Credits against tax

Sec. 6. (a) A carrier is entitled to a credit against the tax imposed under section 4 of this chapter if the carrier, or a lessor operating under the carrier's annual permit, has:

(1) paid the tax imposed under IC 6-6-1.1 or IC 6-6-2.5 on motor fuel purchased in Indiana;

(2) consumed the motor fuel outside Indiana; and

(3) paid a gasoline, special fuel, or road tax with respect to the fuel in one (1) or more other states or jurisdictions.

(b) The amount of credit for a quarter is equal to the tax paid under IC 6-6-1.1 and IC 6-6-2.5 on motor fuel that:

(1) was purchased in Indiana;

(2) was consumed outside Indiana; and

(3) with respect to which the carrier paid a gasoline, special fuel, or road tax to another state or jurisdiction.

(c) To qualify for the credit, the carrier shall submit any evidence required by the department of payment of the tax imposed under IC 6-6-1.1 or IC 6-6-2.5.

(d) A credit earned by a carrier in a particular quarter shall be applied against the carrier's tax liability under this chapter for that quarter before any credit carryover is applied against that liability under section 7 of this chapter.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.77-1985, SEC.28; P.L.277-1993(ss), SEC.47.

IC 6-6-4.1-7

Computation of credits; refunds; interest

Sec. 7. (a) As used in this section, the credit of a carrier for any quarter is the amount by which the credit to which the carrier is entitled under section 6 of this chapter for that quarter exceeds the tax liability of the carrier under section 4 of this chapter for that quarter.

(b) The credit for any quarter shall be allowed as a credit against the tax for which the carrier would otherwise be liable in the quarter in which the credit accrued.

(c) A carrier is entitled to the refund of any credit not previously used to offset a tax liability or for any erroneously paid tax or penalty. To obtain the refund, the carrier shall submit to the department a properly completed application in accordance with rules adopted by the department under IC 4-22-2. The application must be submitted within three (3) years after the end of:

(1) the quarter in which the credit accrued; or

(2) the calendar year that contains the taxable period in which the tax or penalty was erroneously paid.

Along with the application, the carrier shall submit any evidence required by the department and any reports required by the department under this chapter.

(d) The department shall pay interest on any part of a refund that is not made within ninety (90) days after the date on which all of the following have been completed:

(1) The filing of:

(A) the properly completed application for refund; or

(B) the quarterly return on which a refund is claimed.

(2) The submission of any evidence required by the department of payment of the tax imposed under IC 6-6-1.1 or IC 6-6-2.5.

(3) The submission of reports required by the department under this chapter.

(4) The furnishing of a surety bond, letter of credit, or cash deposit under section 8 of this chapter.

(e) The department shall pay interest at the rate established under

IC 6-8.1-9 from the date of:

(1) the refund application;

(2) the due date of a timely filed quarterly return on which a refund is claimed; or

(3) the filing date of a quarterly return on which a refund is claimed, if the quarterly refund is filed after the due date of the quarterly return;

to a date determined by the department that does not precede the date on which the refund is made by more than thirty (30) days.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.77-1985, SEC.29; P.L.97-1987, SEC.39; P.L.96-1989, SEC.11; P.L.69-1991, SEC.14; P.L.277-1993(ss), SEC.48.

IC 6-6-4.1-7.1

Class action for refund of tax; prerequisites

Sec. 7.1. A class action for the refund of a tax subject to this chapter may not be maintained in any court, including the Indiana tax court, on behalf of any person who has not complied with the requirements of section 7 of this chapter before the certification of a class. A refund of taxes to a member of a class in a class action is subject to the time limits set forth in section 7 of this chapter based on the time the class member filed the required claim for refund with the department.

As added by P.L.60-1990, SEC.5. Amended by P.L.1-1991, SEC.66.

IC 6-6-4.1-8

Bond, letter of credit, or cash deposit; furnishing; release from liability; retaining cash deposit

Sec. 8. (a) A carrier shall, at the request of the department and for cause, furnish a surety bond, letter of credit, or cash deposit to the department in order to ensure payment of the taxes imposed under this chapter and to permit the department to make a refund to the carrier under section 7 of this chapter. The bond, letter of credit, or cash deposit must be:

(1) in an amount of not less than two (2) times the amount of tax due or refund requested under this chapter for the reporting period applicable to the carrier, as determined by the department;

(2) payable to the state;

(3) conditioned that the carrier will pay all taxes for which the carrier is or becomes liable under this chapter from the date of the bond, letter of credit, or cash deposit to thirty (30) days after either the carrier, the surety, or the financial institution notifies the department that the bond, letter of credit, or cash deposit has been cancelled; and

(4) executed by a surety authorized under Indiana law in the case of a bond or by a financial institution approved by the commissioner in the case of a letter of credit.

(b) Sixty (60) days after making a written request for release to the commissioner, the surety of a bond furnished by a carrier is released

from any liability to the state accruing on the bond after the sixty (60) day period. The release does not affect any liability accruing before the expiration of the sixty (60) day period.

(c) One hundred eighty (180) days after making a written request for release to the commissioner, the financial institution issuing the letter of credit for a carrier is released from any liability accruing on the letter of credit.

(d) The commissioner shall promptly notify the carrier furnishing the bond or letter of credit that a release has been requested. Unless the carrier furnishes a new bond within the sixty (60) day period or a new letter of credit within the one hundred eighty (180) day period, the commissioner shall cancel the carrier's annual permit.

(e) Sixty (60) days after making a written request for release to the commissioner, the cash deposit provided by a carrier is cancelled as security for any obligation accruing after the expiration of the sixty (60) day period. However, the administrator may retain all or part of the cash deposit for up to three (3) years and one (1) day as security for any obligation accruing before the effective date of the cancellation. Any part of the deposit that is not retained by the commissioner shall be released to the carrier. Before the expiration of the sixty (60) day period, the carrier must provide a bond or letter of credit or the commissioner shall cancel the carrier's annual permit.

(f) The department has cause for requiring security from a carrier under this section if:

(1) a carrier fails to file timely reports required by this chapter;

(2) a carrier fails to remit the tax imposed by this chapter; or

(3) an audit of a carrier's operations under this chapter causes the department to reasonably believe that tax collection or remittance required by this chapter is in jeopardy.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.77-1985, SEC.30; P.L.97-1987, SEC.40; P.L.60-1990, SEC.6.

IC 6-6-4.1-9

Presumption of consumption rate

Sec. 9. If there are no records showing the number of miles actually operated per gallon of motor fuel and if section 11(c) of this chapter is inapplicable, it is presumed for purposes of this chapter that one (1) gallon of motor fuel is consumed for every four (4) miles traveled.

As added by Acts 1982, P.L.59, SEC.1.

IC 6-6-4.1-10

Quarterly reports; exemptions

Sec. 10. (a) Except as provided in section 13 of this chapter, each carrier subject to the tax imposed under this chapter shall submit to the department such quarterly reports of the operations of commercial motor vehicles giving rise to the carrier's tax liability as the department may require. The carrier shall submit each quarterly report required under this subsection on or before the last day of the month immediately following that quarter.

(b) Subject to the restrictions of this subsection and subsection (c), the department may, by rules adopted under IC 4-22-2, exempt any carrier from the quarterly reporting requirements of this section. The department may exempt only a carrier who submits an annual affidavit attesting that:

(1) all or substantially all of the mileage of the carrier in the previous calendar year was the result of operations in Indiana;

(2) all or substantially all of the motor fuel used in the operations of the carrier in the previous calendar year was purchased in Indiana; or

(3) the carrier is from a state that has a reciprocity agreement with the state of Indiana relating to motor fuel taxes.

(c) The department may exempt carriers under subsection (b) only if:

(1) granting exemptions will not adversely affect the enforcement of this chapter; and

(2) the carriers that apply for exemptions purchased an equitable amount of motor fuel in Indiana.

(d) Each carrier shall submit to the department any other reports required by the department.

(e) All reports required to be filed under this chapter must be filed in an electronic format prescribed by the department.

(f) All taxes required to be remitted under this chapter must be remitted in an electronic format prescribed by the department.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.45-2011, SEC.2.

IC 6-6-4.1-11

Pooled services; joint reports; calculation of tax; contents of reports

Sec. 11. (a) In lieu of filing individual reports under section 10 of this chapter, two (2) or more carriers regularly engaged in the transportation of passengers on through buses and through tickets in pooled service may make joint reports of their operations in Indiana. The tax imposed by this chapter shall be calculated on the basis of the joint reports as though the carriers were a single carrier. The carriers making the reports are jointly and severally liable for the tax.

(b) Joint reports made under subsection (a) must show the total number of miles traveled in Indiana and the total number of gallons of motor fuel purchased in Indiana by the reporting carriers. Credits or refunds to which the carriers making a joint return are entitled are not allowed as credits or refunds to any other carrier. Carriers filing joint reports shall permit all carriers engaged in pooled operations with them in Indiana to join them in filing joint reports.

(c) For purposes of this chapter, there is a rebuttable presumption that the vehicles of carriers filing joint reports consumed one (1) gallon of motor fuel for every six (6) miles traveled.

As added by Acts 1982, P.L.59, SEC.1.

IC 6-6-4.1-12

Annual permit, cab card, and emblem

Sec. 12. (a) Except as authorized under section 13 of this chapter, a carrier may operate a commercial motor vehicle upon the highways in Indiana only if the carrier has been issued an annual permit, cab card, and emblem under this section.

(b) The department shall issue:

(1) an annual permit; and

(2) a cab card and an emblem for each commercial motor vehicle that will be operated by the carrier upon the highways in Indiana;

to a carrier who applies for an annual permit and pays to the department an annual permit fee of twenty-five dollars ($25) not later than September 1 of the year before the annual permit is effective under subsection (c).

(c) The annual permit, cab card, and emblem are effective from January 1 of each year through December 31 of the same year. The department may extend the expiration date of the annual permit, cab card, and emblem for no more than sixty (60) days. The annual permit, each cab card, and each emblem issued to a carrier remain the property of this state and may be suspended or revoked by the department for any violation of this chapter or of the rules concerning this chapter adopted by the department under IC 4-22-2.

(d) As evidence of compliance with this section, and for the purpose of enforcement, a carrier shall display on each commercial motor vehicle an emblem when the vehicle is being operated by the carrier in Indiana. The carrier shall affix the emblem to the vehicle in the location designated by the department. The carrier shall display in each vehicle the cab card issued by the department. The carrier shall retain the original annual permit at the address shown on the annual permit. During the month of December, the carrier shall display the cab card and emblem that are valid through December 31 or a full year cab card and emblem issued to the carrier for the ensuing twelve (12) months. If the department grants an extension of the expiration date, the carrier shall continue to display the cab card and emblem upon which the extension was granted.

(e) If a commercial motor vehicle is operated by more than one (1) carrier, as evidence of compliance with this section and for purposes of enforcement each carrier shall display in the commercial motor vehicle a reproduced copy of the carrier's annual permit when the vehicle is being operated by the carrier in Indiana.

(f) A person who fails to display an emblem required by this section on a commercial motor vehicle, does not have proof in the vehicle that the annual permit has been obtained, and operates that vehicle on an Indiana highway commits a Class C infraction. Each day of operation without an emblem constitutes a separate infraction. Notwithstanding IC 34-28-5-4, a judgment of not less than one hundred dollars ($100) shall be entered for each Class C infraction under this subsection.

(g) A person who displays an altered, false, or fictitious cab card required by this section in a commercial motor vehicle, does not have

proof in the vehicle that the annual permit has been obtained, and operates that vehicle on an Indiana highway commits a Class C infraction. Each day of operation with an altered, false, or fictitious cab card constitutes a separate infraction.
As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.77-1985, SEC.31; P.L.8-1988, SEC.6; P.L.60-1990, SEC.7; P.L.69-1991, SEC.15; P.L.1-1998, SEC.82; P.L.182-2009(ss), SEC.235.

IC 6-6-4.1-13
Special trip permits; repair and maintenance permits

Sec. 13. (a) A carrier may, in lieu of paying the tax imposed under this chapter that would otherwise result from the operation of a particular commercial motor vehicle, obtain from the department a trip permit authorizing the carrier to operate the commercial motor vehicle for a period of five (5) consecutive days. The department shall specify the beginning and ending days on the face of the permit. The fee for a trip permit for each commercial motor vehicle is fifty dollars ($50). The report otherwise required under section 10 of this chapter is not required with respect to a vehicle for which a trip permit has been issued under this subsection.

(b) The department may issue a temporary written authorization if unforeseen or uncertain circumstances require operations by a carrier of a commercial motor vehicle for which neither a trip permit described in subsection (a) nor an annual permit described in section 12 of this chapter has been obtained. A temporary authorization may be issued only if the department finds that undue hardship would result if operation under a temporary authorization were prohibited. A carrier who receives a temporary authorization shall:

(1) pay the trip permit fee at the time the temporary authorization is issued; or

(2) subsequently apply for and obtain an annual permit.

(c) A carrier may obtain an International Fuel Tax Agreement (IFTA) repair and maintenance permit to:

(1) travel from another state into Indiana to repair or maintain any of the carrier's motor vehicles, semitrailers (as defined in IC 9-13-2-164), or trailers (as defined in IC 9-13-2-184); and

(2) return to the same state after the repair or maintenance is completed.

The permit allows the travel described in this section. In addition to any other fee established in this chapter, and instead of paying the quarterly motor fuel tax imposed under this chapter, a carrier may pay an annual IFTA repair and maintenance fee of forty dollars ($40) and receive an IFTA annual repair and maintenance permit. The IFTA annual repair and maintenance permit and fee applies to all of the motor vehicles operated by a carrier. The IFTA annual repair and maintenance permit is not transferable to another carrier. A carrier may not carry cargo or passengers under the IFTA annual repair and maintenance permit. All fees collected under this subsection shall be deposited in the motor carrier regulation fund (IC 8-2.1-23). The report otherwise required under section 10 of this chapter is not

required with respect to a motor vehicle that is operated under an IFTA annual repair and maintenance permit.

(d) A carrier may obtain an International Registration Plan (IRP) repair and maintenance permit to:

(1) travel from another state into Indiana to repair or maintain any of the carrier's motor vehicles, semitrailers (as defined in IC 9-13-2-164), or trailers (as defined in IC 9-13-2-184); and

(2) return to the same state after the repair or maintenance is completed.

The permit allows the travel described in this section. In addition to any other fee established in this chapter, and instead of paying apportioned or temporary IRP fees under IC 9-18-2 or IC 9-18-7, a carrier may pay an annual IRP repair and maintenance fee of forty dollars ($40) and receive an IRP annual repair and maintenance permit. The IRP annual repair and maintenance permit and fee applies to all of the motor vehicles operated by a carrier. The IRP annual repair and maintenance permit is not transferable to another carrier. A carrier may not carry cargo or passengers under the IRP annual repair and maintenance permit. All fees collected under this subsection shall be deposited in the motor carrier regulation fund (IC 8-2.1-23).

(e) A person may obtain a repair and maintenance permit to:

(1) move an unregistered off-road vehicle from a quarry or mine to a maintenance or repair facility; and

(2) return the unregistered off-road vehicle to its place of origin.

The fee for the permit is forty dollars ($40). The permit is an annual permit and applies to all unregistered off-road vehicles from the same quarry or mine.

(f) A carrier may obtain a repair, maintenance, and relocation permit to:

(1) move a yard tractor from a terminal or loading or spotting facility to:

(A) a maintenance or repair facility; or

(B) another terminal or loading or spotting facility; and

(2) return the yard tractor to its place of origin.

The fee for the permit is forty dollars ($40). The permit is an annual permit and applies to all yard tractors operated by the carrier. The permit is not transferable to another carrier. A carrier may not carry cargo or transport or draw a semitrailer or other vehicle under the permit. A carrier may operate a yard tractor under the permit instead of paying the tax imposed under this chapter. As used in this section, "yard tractor" has the meaning set forth under IC 9-13-2-201.

(g) The department shall establish procedures, by rules adopted under IC 4-22-2, for:

(1) the issuance and use of trip permits, temporary authorizations, and repair and maintenance permits; and

(2) the display in commercial motor vehicles of evidence of compliance with this chapter.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.77-1985, SEC.32; P.L.59-1985, SEC.19; P.L.46-1994, SEC.1; P.L.88-1998,

SEC.1; P.L.150-2001, SEC.1; P.L.182-2009(ss), SEC.236; P.L.262-2013, SEC.1.

IC 6-6-4.1-14
Reciprocity

Sec. 14. (a) The commissioner or, with the commissioner's approval, the reciprocity commission created by IC 9-28-4 may enter into and become a member of the International Fuel Tax Agreement or other reciprocal agreements with the appropriate official or officials from any other state or jurisdiction under which all or any part of the requirements of the Indiana Administrative Code are waived with respect to motor carriers that use in Indiana motor fuel upon which tax has been paid to the other state or jurisdiction. An agreement may be made under this subsection only with a state or jurisdiction that grants equivalent privileges with respect to motor fuel consumed in the other state or jurisdiction and on which a tax has been paid to this state.

(b) The commissioner or, with the commissioner's approval, the reciprocity commission created by IC 9-28-4 may enter into the International Registration Plan, the International Fuel Tax Agreement, or other reciprocal agreements with the appropriate official or officials of any other state or jurisdiction to exempt commercial motor vehicles licensed in the other state or jurisdiction from any of the requirements that would otherwise be imposed by this chapter, including the requirements for trip permits, temporary authorizations, repair and maintenance permits, and annual permits and the payment of fees for permits and authorizations. An agreement may be made under this subsection only with a state or jurisdiction that grants equivalent exemptions to motor vehicles licensed in Indiana.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.2-1991, SEC.43; P.L.46-1994, SEC.2; P.L.129-2001, SEC.11.

IC 6-6-4.1-14.5
Limitations

Sec. 14.5. (a) The International Fuel Tax Agreement and any other agreement authorized under IC 6-6, IC 6-8.1, or IC 9-28 shall be limited to the following matters:

(1) Determining the base state for users.
(2) Specifying records requirements for users.
(3) Specifying audit procedures.
(4) Exchanging information.
(5) Defining persons eligible for tax licensing.
(6) Defining qualified motor vehicles.
(7) Determining if bonding is required.
(8) Specifying reporting requirements and periods, including the following:
    (A) Establishing uniform penalties and interest rates for late reporting.
    (B) Determining methods for collecting and forwarding

motor fuel taxes, special fuel taxes, and penalties to another state or jurisdiction.

(9) Any other provisions designed to facilitate the administration of the agreement.

(b) The International Fuel Tax Agreement and any other agreement authorized under IC 6-6, IC 6-8.1, or IC 9-28 do not limit the authority of the general assembly to do any of the following:

(1) Determine whether to impose a tax.

(2) Determine tax rates.

(3) Define tax exemptions or deductions.

(4) Determine what constitutes a taxable event that results in the imposition of a tax.

(5) Determine any other matters related to the powers described in subdivisions (1) through (4).

As added by P.L.129-2001, SEC.12.

IC 6-6-4.1-15
Enforcement

Sec. 15. The commissioner shall enforce this chapter. The state police department shall assist the commissioner in the enforcement of this chapter.

As added by Acts 1982, P.L.59, SEC.1.

IC 6-6-4.1-16
Agreements for cooperative audit of reports and returns

Sec. 16. The department may enter into the International Fuel Tax Agreement or any other agreements for:

(1) furnishing information to and receiving information from other states, jurisdictions, or the International Fuel Tax Agreement clearinghouse, except as prohibited by IC 6-8.1-3-7; and

(2) the cooperative audit of the reports and returns of carriers with the appropriate authorities of any other state or jurisdiction that imposes a tax similar to the tax imposed under this chapter.

An officer or employee of another state or jurisdiction who audits reports and returns under an agreement made under this chapter or IC 6-8.1-3-12 is considered an authorized agent of this state for the purpose of the audit. A cooperative audit conducted under an agreement made under this section has the same effect as an audit conducted by the department.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.129-2001, SEC.13.

IC 6-6-4.1-17
Suspension or revocation of permit or temporary authorization; reinstatement

Sec. 17. If a carrier:

(1) fails to file a quarterly report required by this chapter;

(2) fails to pay the tax imposed under section 4 or section 4.5 of this chapter;

(3) files a report after the date established under this chapter;
(4) with respect to a listed tax (as defined in IC 6-8.1-1-1), fails to file all tax returns or information reports or to pay all taxes, penalties, and interest;
(5) fails to file a form or report required under this chapter or the International Fuel Tax Agreement in an electronic format prescribed by the department; or
(6) fails to remit taxes under section 10(f) of this chapter;

the commissioner may suspend or revoke any annual permit, trip permit, temporary authorization, or repair and maintenance permit issued to the carrier. The commissioner may reinstate a permit or temporary authorization if a carrier files all required returns and reports and pays all outstanding liabilities.

As added by Acts 1982, P.L.59, SEC.1. Amended by P.L.77-1985, SEC.33; P.L.59-1985, SEC.20; P.L.46-1994, SEC.3; P.L.45-2011, SEC.3.

IC 6-6-4.1-18
Violations; penalties

Sec. 18. (a) A person who knowingly makes a false statement or knowingly presents a fraudulent receipt for the sale of motor fuel for the purpose of:
(1) obtaining;
(2) attempting to obtain; or
(3) assisting any other person to obtain or attempt to obtain;

a credit, refund, or reduction of liability for the tax imposed under this chapter commits a Class C infraction.

(b) A carrier who knowingly violates this chapter, except for a violation covered by section 17 of this chapter, commits a Class C infraction.

As added by Acts 1982, P.L.59, SEC.1.

IC 6-6-4.1-19
Impoundment of commercial motor vehicle; release of cargo

Sec. 19. (a) The department or the state police department may impound a carrier's commercial motor vehicle if:
(1) the carrier has not obtained an annual permit, a trip permit, a temporary authorization, or a repair and maintenance permit (as required under sections 12 through 13 of this chapter) and the vehicle is operating on an Indiana highway;
(2) there is not an emblem displayed on the vehicle as required by section 12 of this chapter, the driver does not have proof in the vehicle that the annual permit has been obtained, and the vehicle is operating on an Indiana highway; or
(3) the cab card required under section 12 of this chapter is altered, false, or fictitious, the driver does not have proof in the vehicle that the annual permit has been obtained, and the vehicle is operating on an Indiana highway.

(b) To obtain possession of a vehicle impounded under this section, the carrier must first obtain:

(1) the annual permit, trip permit, temporary authorization, or repair and maintenance permit;
(2) a cab card; and
(3) an emblem for the vehicle;

as required by this chapter.

(c) Any cargo in an impounded vehicle shall be released, if the cargo is to be loaded into another commercial motor vehicle that is in compliance with this chapter.

As added by P.L.97-1987, SEC.41. Amended by P.L.8-1988, SEC.7; P.L.46-1994, SEC.4.

IC 6-6-4.1-20
Failure to keep books and records; penalty

Sec. 20. A person subject to the taxes imposed under sections 4 through 4.5 of this chapter who fails to keep the books and records as required by IC 6-8.1-5 is subject to the penalty imposed under IC 6-8.1-10-4.

As added by P.L.97-1987, SEC.42.

IC 6-6-4.1-21
Failure to file report; civil penalty

Sec. 21. A person subject to the taxes imposed under sections 4 through 4.5 of this chapter who fails to file a quarterly report as required by section 10 of this chapter shall pay a civil penalty of three hundred dollars ($300) for each report that is not filed.

As added by P.L.97-1987, SEC.43.

IC 6-6-4.1-22
Interest on nonpayment

Sec. 22. (a) If a person:
(1) fails to file a return for taxes due under this chapter;
(2) fails to pay the full amount of tax shown on the person's return by the due date for the return or the payment; or
(3) incurs a deficiency upon a determination by the department;

the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the rate of interest calculated under the interest provisions of the International Fuel Tax Agreement entered into by the department under IC 6-8.1-3-14.

As added by P.L.60-1990, SEC.8. Amended by P.L.129-2001, SEC.14.

IC 6-6-4.1-23
Penalty

Sec. 23. (a) If a person:
(1) fails to file a return for the tax due under this chapter on or by the due date for the return;
(2) fails to pay the full amount of tax shown on the person's return on or by the due date for the payment; or
(3) incurs, upon examination by the department, a deficiency

that is due to negligence;

the person is subject to a penalty.

(b) The penalty for a failure described in subsection (a) is the penalty calculated under the penalty provisions of the International Fuel Tax Agreement entered into by the department under IC 6-8.1-3-14.

As added by P.L.60-1990, SEC.9. Amended by P.L.1-1991, SEC.67; P.L.129-2001, SEC.15.

IC 6-6-4.1-24

Proposed assessment; protest; hearing

Sec. 24. (a) If the department believes that a person has not reported the proper amount of tax due, the department shall make a proposed assessment of the amount of the unpaid tax on the basis of the best information available to the department. The amount of the assessment is:

(1) considered a tax payment not made by the due date;

(2) subject to sections 22 and 23 of this chapter; and

(3) subject to IC 6-8.1-10 concerning the imposition of penalties and interest.

(b) The department shall issue notice and prescribe a period for payment and protest under the provisions of the International Fuel Tax Agreement entered into by the department pursuant to IC 6-8.1-3-14. The notice of proposed assessment is prima facie evidence that the department's claim for the unpaid tax is valid. The burden of proving that the proposed assessment is wrong rests with the person against whom the proposed assessment is made. If the person files a protest and requires a hearing on the protest, the department shall set the hearing at the department's earliest convenient time and shall notify the person by United States mail of the time, date, and location of the hearing. The department may hold the hearing at the location of the department's choice in Indiana.

As added by P.L.60-1990, SEC.10. Amended by P.L.129-2001, SEC.16.

IC 6-6-4.1-25

Registration or licensure of vehicle required to obtain annual motor carrier fuel tax permit or license; proof of issuance of permit or license

Sec. 25. This section applies whenever the owner is required by law to obtain an annual motor carrier fuel tax permit or a license under the International Fuel Tax Agreement under IC 6-8.1-3-14 from the department. The bureau of motor vehicles may not register or license a motor bus, truck, tractor, trailer, or semitrailer used or intended to be used by the owner for transportation of property until the owner furnishes the bureau of motor vehicles with reasonable proof that the owner has a permit or license issued by the department.

As added by P.L.69-1991, SEC.16. Amended by P.L.129-2001, SEC.17.

IC 6-6-4.1-26

Issuance of excess size or weight permit; proof of registration under this chapter or International Fuel Tax Agreement

Sec. 26. A special permit may not be issued under IC 9-20-6 to a carrier that is required to be registered under this chapter or under the International Fuel Tax Agreement under IC 6-8.1-3-14 until the carrier furnishes reasonable proof of registration:

(1) under this chapter or under the International Fuel Tax Agreement under IC 6-8.1-3-14; and

(2) under IC 9-18-2, if applicable.

As added by P.L.69-1991, SEC.17. Amended by P.L.1-1992, SEC.21; P.L.129-2001, SEC.18.

IC 6-6-4.1-27

Information sharing; confidential information

Sec. 27. (a) Notwithstanding IC 6-8.1-7 and IC 9-14-3-1, the department, the bureau of motor vehicles, and the Indiana department of transportation shall share the information regarding motor carriers and motor vehicles that is reasonably necessary for the effective administration and enforcement of IC 6-6-4.1, IC 8-2.1, and IC 9.

(b) For purposes of this section, the department may not divulge information:

(1) regarding the motor carrier fuel taxes paid by specific motor carriers; or

(2) contained on quarterly tax reports of specific motor carriers.

The department may provide statistical information that does not identify the amount of tax paid by a specific carrier.

As added by P.L.69-1991, SEC.18. Amended by P.L.1-1992, SEC.22.

IC 6-6-5

Chapter 5. Motor Vehicle Excise Tax

IC 6-6-5-0.1

Application of certain amendments to chapter

Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The amendments made to sections 1 and 14 of this chapter by P.L.98-1989 apply to boating years beginning after December 31, 1989.

(2) The addition of section 5.5 of this chapter by P.L.98-1989 applies to boating years beginning after December 31, 1989.

(3) The amendments made to sections 5 and 14 of this chapter by P.L.33-1990 apply to vehicles registered after December 31, 1990.

(4) The addition of section 9.5 of this chapter by P.L.33-1990 applies to vehicles registered after December 31, 1990.

As added by P.L.220-2011, SEC.158.

IC 6-6-5-1

Definitions

Sec. 1. (a) As used in this chapter, "vehicle" means a vehicle subject to annual registration as a condition of its operation on the public highways pursuant to the motor vehicle registration laws of the state.

(b) As used in this chapter, "mobile home" means a nonself-propelled vehicle designed for occupancy as a dwelling or sleeping place.

(c) As used in this chapter, "bureau" means the bureau of motor vehicles.

(d) As used in this chapter, "license branch" means a branch office of the bureau authorized to register motor vehicles pursuant to the laws of the state.

(e) As used in this chapter, "owner" means the person in whose name the vehicle or trailer is registered (as defined in IC 9-13-2).

(f) As used in this chapter, "motor home" means a self-propelled vehicle having been designed and built as an integral part thereof having living and sleeping quarters, including that which is commonly referred to as a recreational vehicle.

(g) As used in this chapter, "last preceding annual excise tax liability" means either:

(1) the amount of excise tax liability to which the vehicle was subject on the owner's last preceding regular annual registration date; or

(2) the amount of excise tax liability to which a vehicle that was registered after the owner's last preceding annual registration date would have been subject if it had been registered on that date.

(h) As used in this chapter, "trailer" means a device having a gross vehicle weight equal to or less than three thousand (3,000) pounds

that is pulled behind a vehicle and that is subject to annual registration as a condition of its operation on the public highways pursuant to the motor vehicle registration laws of the state. The term includes any utility, boat, or other two (2) wheeled trailer.

(i) This chapter does not apply to the following:

(1) Vehicles owned, or leased and operated, by the United States, the state, or political subdivisions of the state.

(2) Mobile homes and motor homes.

(3) Vehicles assessed under IC 6-1.1-8.

(4) Vehicles subject to registration as trucks under the motor vehicle registration laws of the state, except trucks having a declared gross weight not exceeding eleven thousand (11,000) pounds, trailers, semitrailers, tractors, and buses.

(5) Vehicles owned, or leased and operated, by a postsecondary educational institution described in IC 6-3-3-5(d).

(6) Vehicles owned, or leased and operated, by a volunteer fire department (as defined in IC 36-8-12-2).

(7) Vehicles owned, or leased and operated, by a volunteer emergency ambulance service that:

(A) meets the requirements of IC 16-31; and

(B) has only members that serve for no compensation or a nominal annual compensation of not more than three thousand five hundred dollars ($3,500).

(8) Vehicles that are exempt from the payment of registration fees under IC 9-18-3-1.

(9) Farm wagons.

(10) Off-road vehicles (as defined in IC 14-8-2-185).

(11) Snowmobiles (as defined in IC 14-8-2-261).

(Formerly: Acts 1969, c.423, s.1; Acts 1971, P.L.73, SEC.1; Acts 1973, P.L.54, SEC.1; Acts 1975, P.L.67, SEC.1.) As amended by Acts 1978, P.L.48, SEC.1; Acts 1981, P.L.94, SEC.1; P.L.98-1987, SEC.1; P.L.99-1987, SEC.1; P.L.98-1989, SEC.5; P.L.2-1991, SEC.44; P.L.2-1993, SEC.59; P.L.1-1999, SEC.16; P.L.2-2007, SEC.126; P.L.259-2013, SEC.1.

IC 6-6-5-2

License excise tax; imposition; proof of payment of property tax not required

Sec. 2. (a) There is imposed an annual license excise tax upon vehicles, which tax shall be in lieu of the ad valorem property tax levied for state or local purposes, but in addition to any registration fees imposed on such vehicles.

(b) The tax imposed by this chapter is a listed tax and subject to the provisions of IC 6-8.1.

(c) No vehicle, as defined in section 1 of this chapter, shall be assessed as personal property for the purpose of the assessment and levy of personal property taxes or shall be subject to ad valorem taxes whether or not such vehicle is in fact registered pursuant to the motor vehicle registration laws. No person shall be required to give proof of the payment of ad valorem property taxes as a condition to

the registration of any vehicle that is subject to the tax imposed by this chapter.

(Formerly: Acts 1969, c.423, s.2.) As amended by Acts 1981, P.L.94, SEC.2; Acts 1982, P.L.43, SEC.6; P.L.335-1989(ss), SEC.7; P.L.146-2008, SEC.352.

IC 6-6-5-3
Valuation of vehicles

Sec. 3. (a) As the basis for measuring the tax imposed by this chapter, the bureau shall determine the value of each vehicle as of the time it is first offered for sale as a new vehicle in Indiana. The bureau shall adopt rules for determining the value of vehicles, using the "factory advertised delivered price" or the "port of entry price".

(b) If the bureau is unable to ascertain a value by this method in respect to any vehicle or class of vehicles because the vehicle is a specially constructed vehicle or for any other reason, the bureau shall determine, from any information available, the true tax value subject to review and adjustment by the department of local government finance.

(c) For each vehicle, beginning with the 1990 model year, the bureau shall reduce the value determined under subsection (a) or (b) by dividing:

(1) the price determined under subsection (a) or (b); by

(2) one (1) plus the average percentage increase in new automobile prices using the most recent annual reference to the Consumer Price Index for Private New Automobiles as published by the Bureau of Labor Statistics, United States Department of Labor.

(Formerly: Acts 1969, c.423, s.3; Acts 1971, P.L.73, SEC.2.) As amended by P.L.24-1986, SEC.31; P.L.335-1989(ss), SEC.8; P.L.90-2002, SEC.304.

IC 6-6-5-4
Classification of vehicles

Sec. 4. After determining the value of a vehicle, as prescribed in section 3 of this chapter, the bureau shall classify every vehicle in its proper class according to the following classification plan:

Class	I	less than $ 1,500	
Class	II	at least $ 1,500	but less than $ 2,250
Class	III	at least $ 2,250	but less than $ 3,000
Class	IV	at least $ 3,000	but less than $ 4,000
Class	V	at least $ 4,000	but less than $ 5,500
Class	VI	at least $ 5,500	but less than $ 7,000
Class	VII	at least $ 7,000	but less than $ 8,500
Class	VIII	at least $ 8,500	but less than $10,000
Class	IX	at least $10,000	but less than $12,500
Class	X	at least $12,500	but less than $15,000
Class	XI	at least $15,000	but less than $18,000
Class	XII	at least $18,000	but less than $22,000
Class	XIII	at least $22,000	but less than $25,000

Class	XIV	at least $25,000	but less than $30,000
Class	XV	at least $30,000	but less than $35,000
Class	XVI	at least $35,000	but less than $42,500
Class	XVII	$42,500	and over

(Formerly: Acts 1969, c.423, s.4; Acts 1973, P.L.54, SEC.2.) As amended by Acts 1982, P.L.60, SEC.1; P.L.91-1983, SEC.1.

IC 6-6-5-5
Amount of tax credit against tax

Sec. 5. (a) The amount of tax imposed by this chapter shall be based upon the classification of the vehicle, as provided in section 4 of this chapter, and the age of the vehicle, in accordance with the schedule set out in subsection (c) or (d).

(b) A person who owns a vehicle and who is entitled to a property tax deduction under IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-16, or IC 6-1.1-12-17.4 is entitled to a credit against the annual license excise tax as follows: Any remaining deduction from assessed valuation to which the person is entitled, applicable to property taxes payable in the year in which the excise tax imposed by this chapter is due, after allowance of the deduction on real estate and personal property owned by the person, shall reduce the annual excise tax in the amount of two dollars ($2) on each one hundred dollars ($100) of taxable value or major portion thereof. The county auditor shall, upon request, furnish a certified statement to the person verifying the credit allowable under this section and the statement shall be presented to and retained by the bureau to support the credit.

(c) After January 1, 1996, the tax schedule is as follows:

Year of Manufacture	I	II	III	IV	V
1st	$12	$36	$50	$50	$66
2nd	12	30	50	50	57
3rd	12	27	42	50	50
4th	12	24	33	50	50
5th	12	18	24	48	50
6th	12	12	18	36	50
7th	12	12	12	24	42
8th	12	12	12	18	24
9th	12	12	12	12	12
10th and thereafter	12	12	12	12	12

Year of Manufacture	VI	VII	VIII	IX	X
1st	$84	$103	$123	$150	$172
2nd	74	92	110	134	149
3rd	63	77	93	115	130
4th	52	64	78	98	112
5th	50	52	64	82	96
6th	50	50	50	65	79
7th	49	50	50	52	65
8th	30	40	50	50	53

9th	18	21	34	40	50
10th and thereafter	12	12	12	12	12

Year of Manufacture	XI	XII	XIII	XIV	XV
1st	$207	$250	$300	$350	$406
2nd	179	217	260	304	353
3rd	156	189	225	265	307
4th	135	163	184	228	257
5th	115	139	150	195	210
6th	94	114	121	160	169
7th	78	94	96	132	134
8th	64	65	65	91	91
9th	50	50	50	50	50
10th and thereafter	21	26	30	36	42

Year of Manufacture	XVI	XVII
1st	$469	$532
2nd	407	461
3rd	355	398
4th	306	347
5th	261	296
6th	214	242
7th	177	192
8th	129	129
9th	63	63
10th and thereafter.	49	50

(d) Every vehicle shall be taxed as a vehicle in its first year of manufacture throughout the calendar year in which vehicles of that make and model are first offered for sale in Indiana, except that a vehicle of a make and model first offered for sale in Indiana after August 1 of any year shall continue to be taxed as a vehicle in its first year of manufacture until the end of the calendar year following the year in which it is first offered for sale. Thereafter, the vehicle shall be considered to have aged one (1) year as of January 1 of each year.

(Formerly: Acts 1969, c.423, s.5; Acts 1973, P.L.54, SEC.3; Acts 1975, P.L.21, SEC.10.) As amended by Acts 1979, P.L.216, SEC.2; Acts 1980, P.L.38, SEC.22; Acts 1982, P.L.60, SEC.2; P.L.91-1983, SEC.2; P.L.33-1990, SEC.13; P.L.240-1991(ss2), SEC.53; P.L.25-1995, SEC.57; P.L.26-1996, SEC.8; P.L.6-1997, SEC.127.

IC 6-6-5-5.1
Repealed

(Repealed by P.L.25-1995, SEC.94 and P.L.25-1995, SEC.95.)

IC 6-6-5-5.2
Credit for certain veterans who are not eligible for a property tax

deduction

Sec. 5.2. (a) This section applies to a registration year beginning after December 31, 2013.

(b) Subject to subsection (d), an individual may claim a credit against the tax imposed by this chapter upon a vehicle owned by the individual if the individual is eligible for the credit under any of the following:

(1) The individual meets all the following requirements:

(A) The individual served in the military or naval forces of the United States during any of its wars.

(B) The individual received an honorable discharge.

(C) The individual has a disability with a service connected disability of ten percent (10%) or more.

(D) The individual's disability is evidenced by:

(i) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or

(ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section.

(E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13.

(2) The individual meets all the following requirements:

(A) The individual served in the military or naval forces of the United States for at least ninety (90) days.

(B) The individual received an honorable discharge.

(C) The individual either:

(i) has a total disability; or

(ii) is at least sixty-two (62) years of age and has a disability of at least ten percent (10%).

(D) The individual's disability is evidenced by:

(i) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or

(ii) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a credit under this section.

(E) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-14.

(3) The individual meets both of the following requirements:

(A) The individual is the surviving spouse of any of the following:

(i) An individual who would have been eligible for a credit under this section if the individual had been alive in 2013 and this section had been in effect in 2013.

(ii) An individual who received a credit under this section

in the previous calendar year.

(iii) A World War I veteran.

(B) The individual does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13, IC 6-1.1-12-14, or IC 6-1.1-12-16.

(c) The amount of the credit that may be claimed under this section is equal to the lesser of the following:

(1) The amount of the excise tax liability for the individual's vehicle as determined under section 5 of this chapter.

(2) Seventy dollars ($70).

(d) The maximum number of motor vehicles for which an individual may claim a credit under this section is two (2).

(e) An individual may not claim a credit under both:

(1) this section; and

(2) section 5(b) of this chapter.

(f) The credit allowed by this section must be claimed on a form prescribed by the bureau. An individual claiming the credit must attach to the form an affidavit from the county auditor stating that the claimant does not own property to which a property tax deduction may be applied under IC 6-1.1-12-13, IC 6-1.1-12-14, or IC 6-1.1-12-16.

As added by P.L.293-2013(ts), SEC.19.

IC 6-6-5-5.5

Trailers; annual excise tax

Sec. 5.5. There is imposed an annual excise tax on trailers. The tax shall be paid at the same time the trailer is registered. Except for the amount of tax imposed, a trailer is to be treated the same as a vehicle for purposes of this chapter. The amount of tax owed for a trailer for a year is eight dollars ($8). The tax is due at the same time the owner is or would be required to pay the motor vehicle excise tax under this chapter.

As added by P.L.98-1989, SEC.6.

IC 6-6-5-5.6

Excise tax on motor driven cycles

Effective 1-1-2015.

Sec. 5.6. There is imposed an annual excise tax on motor driven cycles. The tax shall be paid at the same time the motor driven cycle is registered. Except for the amount of tax imposed, a motor driven cycle is to be treated the same as a vehicle for purposes of this chapter. The amount of tax owed for a motor driven cycle for a year is ten dollars ($10). The tax is due at the same time the owner is or would be required to pay the motor vehicle excise tax under this chapter.

As added by P.L.221-2014, SEC.5.

IC 6-6-5-6

Payment of tax; registration of vehicle

Sec. 6. (a) Except as otherwise provided in this chapter, the excise

tax imposed under this chapter upon vehicles shall be payable for each registration year, by the owners thereof in respect to vehicles required to be registered for such registration year as provided in the motor vehicle laws of Indiana. Except as provided in section 7.2 of this chapter, such excise tax shall be due on or before the regular annual registration date in each year on or before which the owner is required under the motor vehicle registration laws of Indiana to register vehicles and such excise tax shall be paid to the bureau at the time the vehicle is registered by the owner as provided in the motor vehicle registration laws of Indiana. Each vehicle subject to taxation under this chapter shall be registered by the owner thereof as being taxable in the county of the owner's residence. The payment of the excise tax imposed by this chapter shall be a condition to the right to register or reregister the vehicle and shall be in addition to all other conditions prescribed by law.

(b) A voucher from the department of state revenue showing payment of the excise tax imposed by this chapter may be accepted by the bureau in lieu of a payment under subsection (a).

(Formerly: Acts 1969, c.423, s.6; Acts 1971, P.L.73, SEC.3.) As amended by P.L.2-1988, SEC.14; P.L.335-1989(ss), SEC.9; P.L.3-2008, SEC.63.

IC 6-6-5-6.7

"Passenger motor vehicle" and "truck" defined; credits for rental vehicles; inspection of records

Sec. 6.7. (a) As used in this section, "passenger motor vehicle" and "truck" have the meanings set forth for those terms in IC 9-13-2-123 and IC 9-13-2-188(a).

(b) Every owner of a passenger motor vehicle or passenger motor vehicles or of a truck or trucks who during a registration year regularly rents those vehicles or trucks for periods of under thirty (30) days to others in the regular course of the owner's business is entitled to a credit against the motor vehicle excise tax liability owed for those passenger motor vehicles or trucks for that registration year. The maximum credit an owner is entitled to claim against the tax owed for all those passenger motor vehicles and trucks for a registration year under this section equals the lesser of:

(1) the total motor vehicle excise taxes due for those passenger motor vehicles and trucks for that registration year, before the application of the credit allowed by this section; or

(2) the total auto rental excise taxes collected by the owner during the immediately preceding registration year.

(c) A passenger motor vehicle or truck is regularly rented by a person in the regular course of the person's business during a registration year if the passenger motor vehicle or truck is rented by the person to another person an average of ten (10) days each month of the registration year that the person owned the passenger motor vehicle or truck.

As added by P.L.79-1985, SEC.2. Amended by P.L.335-1989(ss), SEC.10; P.L.2-1991, SEC.45; P.L.214-2007, SEC.1.

IC 6-6-5-7
Repealed
(Repealed by P.L.3-2008, SEC.269.)

IC 6-6-5-7.2
Application of section; proration of tax; credits; refund for destroyed vehicle not replaced

Sec. 7.2. (a) This section applies after December 31, 2007.

(b) In respect to a vehicle that has been acquired, or brought into the state, or for any other reason becomes subject to registration after the regular annual registration date in the year on or before which the owner of the vehicle is required, under the motor vehicle registration laws of Indiana, to register vehicles, the tax imposed by this chapter shall become due and payable at the time the vehicle is acquired, brought into the state, or otherwise becomes subject to registration, and the amount of tax to be paid by the owner for the remainder of the year shall be reduced by eight and thirty-three hundredths percent (8.33%) for each full calendar month that has elapsed since the regular annual registration date in the year fixed by the motor vehicle registration laws for annual registration by the owner. The tax shall be paid at the time of the registration of the vehicle.

(c) In the case of a vehicle that is acquired, or brought into the state, or for any other reason becomes subject to registration after January 1 of any year, then the owner may pay the applicable registration fee on the vehicle as provided in the motor vehicle registration laws and any excise tax due on the vehicle for the remainder of the annual registration year and simultaneously register the vehicle and pay the applicable registration fee and the excise tax due for the next succeeding annual registration year.

(d) Except as provided in subsection (g), no reduction in the applicable annual excise tax will be allowed to an Indiana resident applicant upon registration of any vehicle that was owned by the applicant on or prior to the registrant's annual registration period. A vehicle owned by an Indiana resident applicant that was located in and registered for use in another state during the same calendar year shall be entitled to the same reduction when registered in Indiana.

(e) The owner of a vehicle who sells the vehicle in a year in which the owner has paid the tax imposed by this chapter shall receive a credit equal to the remainder of:

(1) the tax paid for the vehicle; reduced by

(2) eight and thirty-three hundredths percent (8.33%) for each full or partial calendar month that has elapsed in the registrant's annual registration year before the date of the sale.

The credit shall be applied to the tax due on any other vehicle purchased or subsequently registered by the owner in the same registrant's annual registration year. If the credit is not fully used and the amount of the credit remaining is at least four dollars ($4), the owner is entitled to a refund in the amount of the unused credit. The owner must pay a fee of three dollars ($3) to the bureau to cover costs of providing the refund, which may be deducted from the

refund. The bureau shall issue the refund. The bureau shall transfer to the bureau of motor vehicles commission three dollars ($3) of the fee to cover the commission's costs in processing the refund. To claim the credit and refund provided by this subsection, the owner of the vehicle must present to the bureau proof of sale of the vehicle.

(f) Subject to the requirements of subsection (h), the owner of a vehicle that is destroyed in a year in which the owner has paid the tax imposed by this chapter, which vehicle is not replaced by a replacement vehicle for which a credit is issued under this section, shall receive a refund in an amount equal to eight and thirty-three hundredths percent (8.33%) of the tax paid for each full calendar month remaining in the registrant's annual registration year after the date of destruction, but only upon presentation or return to the bureau of the following:

(1) A request for refund on a form furnished by the bureau.

(2) A statement of proof of destruction on an affidavit furnished by the bureau.

(3) The license plate from the vehicle.

(4) The registration from the vehicle.

However, the refund may not exceed ninety percent (90%) of the tax paid on the destroyed vehicle. The amount shall be refunded by a warrant issued by the auditor of the county that received the excise tax revenue and shall be paid out of the special account created for settlement of the excise tax collections under IC 6-6-5-10. For purposes of this subsection, a vehicle is considered destroyed if the cost of repair of damages suffered by the vehicle exceeds the vehicle's fair market value.

(g) If the name of the owner of a vehicle is legally changed and the change has caused a change in the owner's annual registration date, the excise tax liability of the owner shall be adjusted as follows:

(1) If the name change requires the owner to register sooner than the owner would have been required to register if there had been no name change, the owner shall, at the time the name change is reported, be authorized a refund from the county treasurer in the amount of the product of:

(A) eight and thirty-three hundredths percent (8.33%) of the owner's last preceding annual excise tax liability; and

(B) the number of full calendar months between the owner's new regular annual registration month and the next succeeding regular annual registration month that is based on the owner's former name.

(2) If the name change required the owner to register later than the owner would have been required to register if there had been no name change, the vehicle shall be subject to excise tax for the period between the month in which the owner would have been required to register if there had been no name change and the new regular annual registration month in the amount of the product of:

(A) eight and thirty-three hundredths percent (8.33%) of the

owner's excise tax liability computed as of the time the owner would have been required to register if there had been no name change; and

(B) the number of full calendar months between the month in which the owner would have been required to register if there had been no name change and the owner's new regular annual registration month.

(h) In order to claim a credit under subsection (f) for a vehicle that is destroyed, the owner of the vehicle must present to the bureau of motor vehicles a valid registration for the vehicle within ninety (90) days of the date that it was destroyed. The bureau shall then fix the amount of the credit that the owner is entitled to receive.

As added by P.L.184-2007, SEC.3. Amended by P.L.3-2008, SEC.64.

IC 6-6-5-7.4

Refund of taxes paid for vehicle used in other state

Sec. 7.4. (a) The owner of a vehicle registered with the bureau is entitled to a refund of taxes paid under this chapter if, after the owner's regular registration date:

(1) the owner registers the vehicle for use in another state; and

(2) the owner pays tax for use of the vehicle to another state for the same time period which the tax was paid under this chapter.

(b) This subsection applies after December 31, 2007. The refund provided under subsection (a) is equal to:

(1) the annual license excise tax paid for use of the vehicle by the owner of the vehicle for the year; minus

(2) eight and thirty-three hundredths percent (8.33%) of the annual license excise tax paid for use of the vehicle for each full or partial calendar month between the date the annual license excise tax was due and the date the owner registered the vehicle for use in another state.

(c) To claim the refund provided by this section, the owner of the vehicle must provide the bureau with:

(1) a request for a refund on a form furnished by the bureau; and

(2) proof that a tax described in subsection (a)(2) was paid.

As added by P.L.335-1989(ss), SEC.12. Amended by P.L.184-2007, SEC.4; P.L.3-2008, SEC.65.

IC 6-6-5-7.5

Repealed

(Repealed by P.L.2-2005, SEC.131.)

IC 6-6-5-7.7

Tax credit or refund claims; inspection of records; improperly allowed claims

Sec. 7.7. (a) To claim a credit or a refund, or both, under this chapter, a person must provide a sworn statement to the bureau or to an agent branch of the bureau that the person is entitled to the credit or refund, or both, claimed by the person.

(b) The bureau may inspect records of a person claiming a credit or refund, or both, under this chapter to determine if a credit or refund, or both, was properly allowed against the motor vehicle excise tax imposed on a vehicle owned by the person.

(c) If the bureau determines that a credit or refund, or both, was improperly allowed for a particular vehicle, the person who claimed the credit or refund, or both, shall pay the bureau an amount equal to the credit or refund, or both, improperly allowed to the person plus a penalty of ten percent (10%) of the credit or refund, or both, improperly allowed. The tax collected under this subsection shall be paid to the county treasurer of the county in which the taxpayer resides. However, a penalty collected under this subsection shall be retained by the bureau.

As added by P.L.335-1989(ss), SEC.13.

IC 6-6-5-7.9
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 6-6-5-8
Registration forms; verification by BMV; schedules

Sec. 8. (a) The bureau shall include on all registration forms suitable spaces for the applicant's Social Security number or federal tax identification number, the amount of the registration fee, the amount of excise tax, the amount of credit, if any, as provided in section 5 of this chapter, and the total amount of payment due on account of the applicable registration fees and excise taxes upon the registration of the vehicle. The forms shall also include spaces for showing the county, city, or town and township and address of the place where the owner resides. Using procedures determined by the bureau to be appropriate, the bureau shall verify the accuracy and completeness of the information on the registration form concerning:

(1) the county and city or town;
(2) the township; and
(3) the address;

of the owner.

(b) The bureau shall list on all registration forms for vehicles prepared by it the amount of registration fees and taxes due. In addition, the bureau shall prepare by December 1 of each year a schedule showing the excise tax payable on each make and model of vehicle.

(Formerly: Acts 1969, c.423, s.8.) As amended by P.L.2-1988, SEC.15; P.L.335-1989(ss), SEC.14; P.L.261-2013, SEC.33.

IC 6-6-5-9
License branches; administration and collection of taxes; report; distribution of credited delinquent taxes

Sec. 9. (a) The bureau, in the administration and collection of the annual license excise tax imposed by this chapter, may utilize the services and facilities of license branches operated under IC 9-16 in

its administration of the motor vehicle registration laws of the state of Indiana. The license branches may be so utilized in accordance with such procedures, in such manner, and to such extent as the bureau shall deem necessary and proper to implement and effectuate the administration and collection of the excise tax imposed by this chapter. However, in the event the bureau shall utilize such license branches in the collection of excise tax, the following apply:

(1) The excise taxes so collected by each license branch, less any refunds made by the license branch, shall be deposited daily by the license branch in a depository duly designated by the state board of finance. The county treasurer of the county for which the collections are due may withdraw funds from the account at least two (2) times each week. The county treasurer is responsible for the safekeeping and investment of money withdrawn by the county treasurer under this subsection. Before the eleventh day of the month following the month in which the collections are made, the bureau of motor vehicles shall report the excise taxes collected and refunds made outside the county to the county treasurer of the county to which the collections are due and the refunds apply. The bureau shall forward a copy of this excise tax report to the county auditor of the county.

(2) A license branch shall each week forward a report to the county auditor of the county to whom the collections are due, showing the excise tax collected on each vehicle, each refund on a vehicle, and a copy of each registration certificate for all collections and refunds within the county.

(3) Each license branch shall also report to the bureau all excise taxes collected and refunds made under this chapter in the same manner and at the same time as registration fees are reported.

(4) Premiums for insurance to protect the funds collected by license branches against theft shall be paid by the bureau, except that the bureau may issue blanket coverage for all branches at its discretion. At the discretion of the bureau, the bureau may:

(A) self-insure to cover the activities of the license branches; or

(B) rather than purchase a bond or crime policy for each branch, purchase a single blanket bond or crime insurance policy endorsed to include faithful performance to cover all branches.

(5) If the services of a license branch are used by the bureau in the collection of the excise tax imposed by this chapter, the license branch shall collect the service charge prescribed under IC 9-29 for each vehicle registered upon which an excise tax is collected by that branch.

(6) If the excise tax imposed by this chapter is collected by the department of state revenue, the money collected shall be deposited in the state general fund to the credit of the appropriate county and reported to the bureau of motor vehicles on the first working day following the week of collection.

Except as provided in subdivision (7), any amount collected by the department which represents interest or a penalty shall be retained by the department and used to pay its costs of enforcing this chapter.

(7) This subdivision applies only to interest or a penalty collected by the department of state revenue from a person who:

(A) fails to properly register a vehicle as required by IC 9-18 and pay the tax due under this chapter; and

(B) during any time after the date by which the vehicle was required to be registered under IC 9-18 displays on the vehicle a license plate issued by another state.

The total amount collected by the department that represents interest or a penalty, minus a reasonable amount determined by the department to represent its administrative expenses, shall be deposited in the state general fund for the credit of the county in which the person resides. The amount shall be reported to the bureau of motor vehicles on the first working day following the week of collection.

The bureau may contract with a bank card or credit card vendor for acceptance of bank or credit cards.

(b) On or before April 1 of each year the bureau shall provide to the auditor of state the amount of motor vehicle excise taxes collected for each county for the preceding year.

(c) On or before May 10 and November 10 of each year the auditor of state shall distribute to each county one-half (1/2) of:

(1) the amount of delinquent taxes; and

(2) any penalty or interest described in subsection (a)(7);

that have been credited to the county under subsection (a). There is appropriated from the state general fund the amount necessary to make the distributions required by this subsection. The county auditor shall apportion and distribute the delinquent tax distributions to the taxing units in the county at the same time and in the same manner as excise taxes are apportioned and distributed under section 10 of this chapter.

(d) The commissioner of insurance shall prescribe the form of the bonds or crime policies required by this section.

(Formerly: Acts 1969, c.423, s.9; Acts 1971, P.L.73, SEC.5; Acts 1972, P.L.55, SEC.2; Acts 1973, P.L.54, SEC.6.) As amended by Acts 1977(ss), P.L.8, SEC.3; P.L.42-1986, SEC.5; P.L.335-1989(ss), SEC.15; P.L.2-1991, SEC.46; P.L.44-1992, SEC.3; P.L.49-1995, SEC.7; P.L.62-1996, SEC.1; P.L.115-1998, SEC.1; P.L.70-1998, SEC.2; P.L.184-2007, SEC.5; P.L.107-2008, SEC.3; P.L.131-2008, SEC.21.

IC 6-6-5-9.5

Excise tax replacement disbursement; calculation and procedure; transfers from state general fund

Sec. 9.5. (a) Before the twentieth day of each month the bureau shall do the following:

(1) Determine the amount of excise taxes that would have been

collected for each county for the preceding month based on the tax rate schedule that was in effect on January 1, 1995.

(2) Determine and report to the auditor of state the difference between what was actually collected for each county for that month and what would have been collected at the January 1, 1995, rates.

(b) For the months of January through November, the auditor of state shall determine a monthly uniform disbursement percentage to be applied in determining the amount of motor vehicle excise tax replacement money to be disbursed to each county. The monthly uniform disbursement percentage equals the quotient of the sum of the amounts transferred under IC 4-30-17-3.5 plus the amounts transferred under subsections (f) and (g) to the motor vehicle excise tax replacement account in the month of the bureau's report divided by the sum of the total differences for all counties, as determined under subsection (a) and identified in the bureau's report for that month.

(c) For December, the auditor of state shall determine an annual uniform disbursement percentage to be applied in determining the amount of motor vehicle excise tax replacement money to be disbursed to each county in December as an annual adjustment.

(d) The annual uniform disbursement percentage equals the quotient of the sum of the amounts transferred under IC 4-30-17-3.5 plus the amounts transferred under subsections (f) and (g) to the motor vehicle excise tax replacement account in the months of January through December divided by the sum of the total differences for all counties, as determined under subsection (a) and identified in the bureau's reports for the months of January through December.

(e) For the months of January through November, the auditor of state shall distribute to the county the amount of the difference determined under subsection (a) in the month of the bureau's report for that county, multiplied by the monthly uniform disbursement percentage for that month. For December, the auditor shall distribute to the county the total difference in the bureau's reports determined under subsection (a) in the months of January through December for that county, multiplied by the annual uniform disbursement percentage, less the amounts distributed to the county in January through November. However, the total distribution to a county in a calendar year may not exceed the total difference in the bureau's reports determined under subsection (a) in the months of January through December for that county in the year.

(f) The transfers under this subsection are in addition to the transfers required under IC 4-30-17-3.5 and subsection (g). Before the twenty-fifth day of each month, the auditor of state shall transfer from the state general fund to the state general fund motor vehicle excise tax replacement account sixteen thousand nine hundred seventy-four dollars ($16,974). The transfers required under this subsection are annually appropriated from the state general fund.

(g) This subsection applies only after December 31, 1995, and

applies only if insufficient money is available in the build Indiana fund to make the distributions to the state general fund motor vehicle excise tax replacement account that are required under IC 4-30-17-3.5. Before the twenty-fifth day of each month, the auditor of state shall transfer from the state general fund to the state general fund motor vehicle excise tax replacement account the difference between:

(1) the amount that IC 4-30-17-3.5 requires the auditor of state to distribute from the build Indiana fund to the state general fund motor vehicle excise tax replacement account; and

(2) the amount that is available for distribution from the build Indiana fund to the state general fund motor vehicle excise tax replacement account.

The transfers required under this subsection are annually appropriated from the state general fund.

(h) Any money remaining in the motor vehicle excise tax replacement account after the last county distribution in December shall be transferred to the build Indiana fund. The auditor of state shall make the distribution before the end of the month the auditor receives the bureau's report.

(i) The money needed for the distribution shall be withdrawn from the motor vehicle excise tax replacement account. There is appropriated from the state general fund motor vehicle excise tax replacement account, the amount needed to make the distributions required by this section.

(j) Distributions made under this section are considered motor vehicle excise taxes for purposes of allocating revenue among taxing units under this chapter.

As added by P.L.33-1990, SEC.14. Amended by P.L.25-1995, SEC.58; P.L.26-1996, SEC.9; P.L.186-2002, SEC.13.

IC 6-6-5-10

Collection procedures; duties of county officials; distribution

Sec. 10. (a) The bureau shall establish procedures necessary for the collection of the tax imposed by this chapter and for the proper accounting for the same. The necessary forms and records shall be subject to approval by the state board of accounts.

(b) The county treasurer, upon receiving the excise tax collections, shall receipt such collections into a separate account for settlement thereof at the same time as property taxes are accounted for and settled in June and December of each year, with the right and duty of the treasurer and auditor to make advances prior to the time of final settlement of such property taxes in the same manner as provided in IC 5-13-6-3.

(c) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. The county auditor shall determine the total amount of excise taxes collected for

each taxing district in the county and the amount so collected (and the distributions received under section 9.5 of this chapter) shall be apportioned and distributed among the respective funds of the taxing units in the same manner and at the same time as property taxes are apportioned and distributed (subject to adjustment as provided in IC 36-8-19-7.5). However, for purposes of determining distributions under this section for 2009 and each year thereafter, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit, as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP FOUR of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 1997, 1998, and 1999 for each taxing district in the county, determine the result of:

(i) the amount appropriated in the year by the county from the county's county welfare fund and county welfare administration fund; divided by

(ii) the total amounts appropriated by all taxing units in the county for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution

to taxing units in the taxing district after subtracting the STEP ONE (D) amount for the same taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district after subtracting the STEP ONE (D) amount for the same taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP FOUR: Determine the sum of the STEP ONE, STEP TWO, and STEP THREE amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE, STEP TWO, or STEP THREE, the auditor of state shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts. If a new taxing district is established after the years for which a ratio is calculated under STEP ONE, STEP TWO, or STEP THREE, the auditor of state shall establish a ratio for the new taxing district and adjust the ratio for other taxing districts in the county.

(d) Such determination shall be made from copies of vehicle registration forms furnished by the bureau of motor vehicles. Prior to such determination, the county assessor of each county shall, from copies of registration forms, cause information pertaining to legal residence of persons owning taxable vehicles to be verified from the assessor's records, to the extent such verification can be so made. The assessor shall further identify and verify from the assessor's records the several taxing units within which such persons reside.

(e) Such verifications shall be done by not later than thirty (30) days after receipt of vehicle registration forms by the county assessor, and the assessor shall certify such information to the county auditor for the auditor's use as soon as it is checked and completed. *(Formerly: Acts 1969, c.423, s.10; Acts 1971, P.L.74, SEC.1; Acts 1972, P.L.55, SEC.1.) As amended by P.L.19-1987, SEC.18;*

P.L.273-1999, SEC.59; P.L.283-2001, SEC.7; P.L.120-2002, SEC.7; P.L.255-2003, SEC.7; P.L.146-2008, SEC.353; P.L.182-2009(ss), SEC.237; P.L.261-2013, SEC.34.

IC 6-6-5-10.4
Verification of taxes collected for each taxing unit

Sec. 10.4. The county auditor, shall from the copies of the registration forms furnished by the bureau, verify and determine the total amount of excise taxes collected for each taxing unit in the county. The bureau shall verify the collections reported by the branches and provide the county auditor adequate and accurate audit information, registration form information, records, and materials to support the proper assessment, collection, and refund of excise taxes.
(Formerly: Acts 1971, P.L.73, SEC.6; Acts 1973, P.L.54, SEC.7.) As amended by P.L.70-1998, SEC.3.

IC 6-6-5-10.5
Municipal corporations; estimates of amounts to be distributed

Sec. 10.5. The county auditor shall, not later than August first of each year, furnish to the proper officer of each municipal corporation an estimate of the amounts to be distributed to the taxing units under this chapter during the next calendar year and the budget of each such municipal corporation shall show the estimated amounts to be received for each fund for which a property tax is proposed to be levied. The term "municipal corporation" shall mean any county, city, town, township, school corporation, public library or other taxing district.
(Formerly: Acts 1971, P.L.74, SEC.2.)

IC 6-6-5-11
Registration of vehicle without payment of tax; offenses

Sec. 11. An owner of a vehicle who knowingly registers the vehicle without paying the excise tax required by this chapter commits a Class B misdemeanor. An employee of the bureau or a branch manager or employee of a license branch office who recklessly issues a registration on any vehicle without collecting excise tax required to be collected with the registration commits a Class B misdemeanor.
(Formerly: Acts 1969, c.423, s.11.) As amended by Acts 1978, P.L.2, SEC.641; Acts 1981, P.L.94, SEC.4; Acts 1982, P.L.43, SEC.7.

IC 6-6-5-12
Registration of vehicle without payment of tax; void registration

Sec. 12. The registration of any vehicle registered without payment of the excise tax imposed by this chapter is void, and the bureau shall take possession of the registration certificate, license plate, and other evidence of registration until the owner has paid the delinquent excise taxes and an additional fee of ten dollars ($10) to compensate the bureau for the additional duties performed by it.
(Formerly: Acts 1969, c.423, s.12.) As amended by Acts 1981,

P.L.94, SEC.5; Acts 1982, P.L.43, SEC.8.

IC 6-6-5-13
Agents for collection of tax

Sec. 13. In the administration and collection of the annual license excise taxes imposed by this chapter, the bureau may use and employ and is hereby expressly empowered and authorized to appoint, use, and employ such persons who under the laws of the state of Indiana may be appointed as an agent by a county treasurer to collect and receive property taxes on behalf of such county treasurer, and such persons, when so appointed by the bureau, may receive and collect on behalf of the bureau the annual license excise taxes imposed by this chapter and such registration fees and charges as the bureau may direct in making such appointments. Such persons, when so appointed, shall comply with such requirements as exist concerning their collection of property taxes on behalf of county treasurers and such other requirements, including the posting of a bond, as may be established by the bureau at the time of such appointments.
(Formerly: Acts 1969, c.423, s.13.) As amended by P.L.2-1988, SEC.16.

IC 6-6-5-14
Limitations on indebtedness of political or municipal corporations; effect

Sec. 14. The excise tax imposed by this chapter is hereby determined to be equivalent to an average property tax rate of two dollars ($2) on each one hundred dollars ($100) taxable value. For the purpose of limitations on indebtedness of political or municipal corporations imposed by Article 13, Section 1 of the Constitution of the State of Indiana, motor vehicles subject to tax under this chapter shall be deemed to be taxable property within each such political or municipal corporation where the owner resides. The assessed valuation of such vehicles shall be determined by multiplying the amount of the tax by one hundred (100) and dividing such result by two dollars ($2).
(Formerly: Acts 1969, c.423, s.14.) As amended by P.L.2-1988, SEC.17; P.L.98-1989, SEC.7; P.L.33-1990, SEC.15; P.L.6-1997, SEC.128.

IC 6-6-5-15
Consolidation of taxes for taxpayers owning more than one vehicle

Sec. 15. In the administration and collection of the annual license excise tax as imposed by this chapter, the bureau may coordinate and consolidate the collection of such taxes from each taxpayer as imposed on all vehicles owned by such taxpayer in accordance with such procedures as the bureau shall deem reasonable and feasible, including, but not limited to, the revocation of all registrations of vehicles by an owner if such owner shall willfully fail and refuse to pay any excise tax imposed by this chapter. Upon a revocation of registration the bureau shall notify the department of state revenue

of the name and address of the taxpayer.
(Formerly: Acts 1969, c.423, s.15.) As amended by P.L.2-1988, SEC.18; P.L.335-1989(ss), SEC.16.

IC 6-6-5-16
Appropriation for administration

Sec. 16. There is hereby appropriated to the bureau from the general fund of the state, from monies not otherwise appropriated, a sum sufficient to defray the expenses incurred by the bureau in the administration of the excise tax provisions of this chapter. Only those expenses which would not otherwise be incurred in the administration of the motor vehicle registration laws of this state shall be paid out of the general fund. The state budget agency shall approve all funds paid out of the general fund as required in this section.
(Formerly: Acts 1969, c.423, s.18.) As amended by P.L.2-1988, SEC.19.

IC 6-6-5.1

Chapter 5.1. Excise Tax on Recreational Vehicles and Truck Campers

IC 6-6-5.1-1

Application of chapter

Sec. 1. This chapter does not apply to the following:

(1) A vehicle subject to the motor vehicle excise tax under IC 6-6-5.

(2) A vehicle owned or leased and operated by the United States, the state, or a political subdivision of the state.

(3) A mobile home.

(4) A vehicle assessed under IC 6-1.1-8.

(5) A vehicle subject to the commercial vehicle excise tax under IC 6-6-5.5.

(6) A trailer subject to the annual excise tax imposed under IC 6-6-5-5.5.

(7) A bus (as defined in IC 9-13-2-17(a)).

(8) A vehicle owned or leased and operated by a postsecondary educational institution (as described in IC 6-3-3-5(d)).

(9) A vehicle owned or leased and operated by a volunteer fire department (as defined in IC 36-8-12-2).

(10) A vehicle owned or leased and operated by a volunteer emergency ambulance service that:

(A) meets the requirements of IC 16-31; and

(B) has only members who serve for no compensation or a nominal annual compensation of not more than three thousand five hundred dollars ($3,500).

(11) A vehicle that is exempt from the payment of registration fees under IC 9-18-3-1.

(12) A farm wagon.

(13) A recreational vehicle or truck camper in the inventory of recreational vehicles and truck campers held for sale by a manufacturer, distributor, or dealer in the course of business.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-2

"Bureau"

Sec. 2. As used in this chapter, "bureau" refers to the bureau of motor vehicles.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-3

"Last preceding annual excise tax liability"

Sec. 3. As used in this chapter, "last preceding annual excise tax liability" means the amount of excise tax liability to which a recreational vehicle or truck camper was subject on the owner's last preceding regular annual registration date or to which:

(1) the recreational vehicle would have been subject if the recreational vehicle had been registered; or

(2) the truck camper would have been subject if the truck camper had been owned by the owner and located in Indiana;

on the owner's last preceding regular annual registration date.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-4

"Mobile home"

Sec. 4. As used in this chapter, "mobile home" has the meaning set forth in IC 6-1.1-7-1.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-5

"Owner"

Sec. 5. As used in this chapter, "owner" means:

(1) in the case of a recreational vehicle, the person in whose name the recreational vehicle is registered under IC 9-18; or

(2) in the case of a truck camper, the person holding title to the truck camper.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-6

"Recreational vehicle"

Sec. 6. As used in this chapter, "recreational vehicle" has the meaning set forth in IC 9-13-2-150(a).

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-7

"Trailer"

Sec. 7. As used in this chapter, "trailer" has the meaning set forth in IC 6-6-5-1(h).

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-8

"Truck camper"

Sec. 8. As used in this chapter, "truck camper" means a device without motive power that is installed in the bed of a truck to provide living quarters for persons traveling on public highways.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-9

"Vehicle"

Sec. 9. As used in this chapter, "vehicle" has the meaning set forth in IC 9-13-2-196(a).

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-10

License excise tax; imposition; property tax assessment disallowed

Sec. 10. (a) Beginning January 1, 2010, there is imposed an annual license excise tax on recreational vehicles and truck campers. The excise tax is imposed instead of the ad valorem property tax levied

for state or local purposes but in addition to any registration fees imposed on recreational vehicles.

(b) The tax imposed by this chapter is a listed tax and subject to IC 6-8.1.

(c) A recreational vehicle subject to this chapter may not be assessed as personal property for the purpose of the assessment and levy of personal property taxes after December 31, 2008, and is not subject to ad valorem taxes first due and payable after December 31, 2009, regardless of whether the recreational vehicle is registered under the state motor vehicle registration laws. A person may not be required to give proof of the payment of ad valorem taxes as a condition to the registration of a recreational vehicle subject to the tax imposed by this chapter.

(d) A truck camper subject to this chapter may not be assessed as personal property for the purpose of the assessment and levy of personal property taxes after December 31, 2008, and is not subject to ad valorem taxes first due and payable after December 31, 2009.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-11

Valuation of vehicles and campers

Sec. 11. As the basis for measuring the tax imposed by this chapter, the bureau shall determine the value of each recreational vehicle and truck camper as of the time it is first offered for sale in Indiana as a new recreational vehicle or truck camper. The bureau shall adopt rules under IC 4-22-2 for determining the value of recreational vehicles and truck campers by using:

(1) the factory advertised delivered price or the port of entry price; or

(2) any other information available.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-12

Vehicle and camper classification

Sec. 12. After determining the value of a recreational vehicle or truck camper under section 11 of this chapter, the bureau shall classify every recreational vehicle and truck camper in its proper class by value according to the following classification plan:

Class	I	less than $2,250	
Class	II	at least $ 2,250	but less than $ 4,000
Class	III	at least $ 4,000	but less than $ 7,000
Class	IV	at least $ 7,000	but less than $ 10,000
Class	V	at least $10,000	but less than $ 15,000
Class	VI	at least $15,000	but less than $ 22,000
Class	VII	at least $22,000	but less than $ 30,000
Class	VIII	at least $30,000	but less than $ 42,500
Class	IX	at least $42,500	but less than $ 50,000
Class	X	at least $50,000	but less than $ 60,000
Class	XI	at least $60,000	but less than $ 70,000
Class	XII	at least $70,000	but less than $ 80,000

Class	XIII	at least $80,000	but less than $ 90,000
Class	XIV	at least $90,000	but less than $100,000
Class	XV	at least $100,000	but less than $150,000
Class	XVI	at least $150,000	but less than $200,000
Class	XVII	at least $200,000	

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-13

Excise tax schedule; amount of tax; credit for certain unused property tax deductions

Sec. 13. (a) Subject to any reductions permitted under this chapter, the amount of tax imposed under this chapter on a recreational vehicle or truck camper is prescribed by the schedule set out in subsection (c). The amount of tax imposed by this chapter is determined using:

(1) the classification of the recreational vehicle or truck camper under section 12 of this chapter; and

(2) the age of the recreational vehicle or truck camper.

(b) If a person who owns a recreational vehicle or truck camper is entitled to an ad valorem property tax assessed valuation deduction under IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-16, or IC 6-1.1-12-17.4 in a year in which a tax is imposed by this chapter and any part of the deduction is unused after allowance of the deduction on real property and personal property owned by the person, the person is entitled to a credit that reduces the annual tax imposed by this chapter. The amount of the credit is determined by multiplying the amount of the unused deduction by two (2) and dividing the result by one hundred (100). The county auditor shall, upon request, furnish a certified statement to the person verifying the credit allowable under this subsection. The statement shall be presented to and retained by the bureau to support the credit.

(c) The tax schedule for each class of recreational vehicles and truck campers is as follows:

Year of Manufacture	I	II	III	IV	V
1st	$15	$36	$50	$59	$103
2nd	12	31	43	51	91
3rd	12	26	35	41	75
4th	12	20	28	38	62
5th	12	15	20	34	53
6th	12	12	15	26	41
7th	12	12	12	16	32
8th	12	12	12	13	21
9th	12	12	12	12	13
10th and thereafter	12	12	12	12	12

Year of Manufacture	VI	VII	VIII
1st	$164	$241	$346
2nd	148	212	302

3rd	131	185	261
4th	110	161	223
5th	89	131	191
6th	68	108	155
7th	53	86	126
8th	36	71	97
9th	23	35	48
10th and thereafter	12	12	17

Year of Manufacture	IX	X	XI	XII
1st	$470	$667	$879	$1,045
2nd	412	572	763	907
3rd	360	507	658	782
4th	307	407	574	682
5th	253	341	489	581
6th	204	279	400	475
7th	163	224	317	377
8th	116	154	214	254
9th	55	70	104	123
10th and thereafter	25	33	46	55

Year of Manufacture	XIII	XIV	XV	XVI	XVII
1st	$1,235	$1,425	$1,615	$1,805	$2,375
2nd	1,072	1,236	1,401	1,566	2,060
3rd	924	1,066	1,208	1,350	1,777
4th	806	929	1,053	1,177	1,549
5th	687	793	898	1,004	1,321
6th	562	648	734	821	1,080
7th	445	514	582	651	856
8th	300	346	392	439	577
9th	146	168	190	213	280
10th and thereafter.	64	74	84	94	123

(d) Each recreational vehicle or truck camper shall be taxed as a recreational vehicle or truck camper in its first year of manufacture throughout the calendar year in which a recreational vehicle or truck camper of that make and model is first offered for sale in Indiana. However, a recreational vehicle or truck camper of a make and model first offered for sale in Indiana after August 1 of any year continues to be taxed as a recreational vehicle or truck camper in its first year of manufacture until the end of the calendar year following the year in which it is first offered for sale. Thereafter, the recreational vehicle or truck camper shall be considered to have aged one (1) year as of January 1 of each year.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-14

Payment of tax; registration of vehicle or camper

Sec. 14. (a) Except as otherwise provided in this chapter, the tax imposed on a recreational vehicle by this chapter is payable for each registration year by the owner with respect to a recreational vehicle required to be registered for the registration year as provided in the state motor vehicle laws. Except as provided in section 15 of this chapter, the tax is due on or before the regular annual registration date in each year on or before which the owner is required under the state motor vehicle registration laws to register vehicles. The tax shall be paid to the bureau at the time the recreational vehicle is registered by the owner as provided in the state motor vehicle registration laws. A recreational vehicle subject to taxation under this chapter shall be registered by the owner as being taxable in the county of the owner's residence. The payment of the tax imposed by this chapter is a condition to the right to register or reregister the recreational vehicle and is in addition to all other conditions prescribed by law.

(b) The tax imposed on a truck camper by this chapter is due on or before the annual registration date in each year on or before which the owner is required under the state motor vehicle registration laws to register vehicles. The tax on the truck camper must be paid to the bureau. A truck camper subject to taxation under this chapter is taxable in the county of the owner's residence.

(c) A voucher from the department of state revenue showing payment of the tax imposed by this chapter may be accepted by the bureau instead of a payment under subsection (a).

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-15

Recreational vehicles; proration of tax; credits; refund for destroyed vehicle not replaced

Sec. 15. (a) This section applies only to recreational vehicles.

(b) With respect to a recreational vehicle that has been acquired, has been brought into Indiana, or for any other reason becomes subject to registration after the regular annual registration date in the year on or before which the owner of the recreational vehicle is required under the state motor vehicle registration laws to register vehicles, the tax imposed by this chapter is due and payable at the time the recreational vehicle is acquired, is brought into Indiana, or otherwise becomes subject to registration. The amount of tax to be paid by the owner for the remainder of the year shall be reduced by eight and thirty-three hundredths percent (8.33%) for each full calendar month that has elapsed since the regular annual registration date in the year fixed by the state motor vehicle registration laws for annual registration by the owner. The tax shall be paid at the time of the registration of the recreational vehicle.

(c) If a recreational vehicle is acquired, is brought into Indiana, or for any other reason becomes subject to registration after January 1 of any year, the owner may pay the applicable registration fee on the recreational vehicle as provided in the state motor vehicle registration laws and may pay any excise tax due on the recreational vehicle for the remainder of the annual registration year and simultaneously

register the recreational vehicle and pay the applicable registration fee and the excise tax due for the next succeeding annual registration year.

(d) Except as provided in subsection (h), a reduction in the applicable annual excise tax may not be allowed to an Indiana resident applicant upon registration of a recreational vehicle that was owned by the applicant on or before the first day of the applicant's annual registration period. A recreational vehicle that is owned by an Indiana resident applicant and that was located in and registered for use in another state during the same calendar year is entitled to the same reduction when registered in Indiana.

(e) The owner of a recreational vehicle who sells the recreational vehicle in a year in which the owner has paid the tax imposed by this chapter shall receive a credit equal to the remainder of:

(1) the tax paid for the recreational vehicle; minus

(2) eight and thirty-three hundredths percent (8.33%) for each full or partial calendar month that has elapsed in the owner's annual registration year before the date of the sale.

The credit shall be applied to the tax due on any other recreational vehicle purchased or subsequently registered by the owner in the owner's annual registration year. If the credit is not fully used and the amount of the credit remaining is at least four dollars ($4), the owner is entitled to a refund in the amount of the unused credit. The owner must pay a fee of three dollars ($3) to the bureau to cover costs of providing the refund, which may be deducted from the refund. The bureau shall issue the refund. The bureau shall transfer three dollars ($3) of the fee to the bureau of motor vehicles commission to cover the commission's costs in processing the refund. To claim the credit and refund provided by this subsection, the owner of the recreational vehicle must present to the bureau proof of sale of the recreational vehicle.

(f) Subject to the requirements of subsection (g), if a recreational vehicle is destroyed in a year in which the owner has paid the tax imposed by this chapter and the recreational vehicle is not replaced by a replacement vehicle for which a credit is issued under this section, the owner is entitled to a refund in an amount equal to eight and thirty-three hundredths percent (8.33%) of the tax paid for each full calendar month remaining in the owner's annual registration year after the date of destruction, but only upon presentation or return to the bureau of the following:

(1) A request for refund on a form furnished by the bureau.

(2) A statement of proof of destruction on an affidavit furnished by the bureau.

(3) The license plate from the recreational vehicle.

(4) The registration from the recreational vehicle.

However, the refund may not exceed ninety percent (90%) of the tax paid on the destroyed recreational vehicle. The amount shall be refunded by a warrant issued by the auditor of the county that received the excise tax revenue and shall be paid out of the special account created under section 21 of this chapter for settlement of the

excise tax collections. For purposes of this subsection, a recreational vehicle is considered destroyed if the cost of repair of damages suffered by the recreational vehicle exceeds the recreational vehicle's fair market value.

(g) To claim a refund under subsection (f) for a recreational vehicle that is destroyed, the owner of the recreational vehicle must present to the bureau a valid registration for the recreational vehicle within ninety (90) days after the date that the recreational vehicle is destroyed. The bureau shall then fix the amount of the refund that the owner is entitled to receive.

(h) If the name of the owner of a recreational vehicle is legally changed and the change has caused a change in the owner's annual registration date, the excise tax liability of the owner for the recreational vehicle shall be adjusted as follows:

(1) If the name change requires the owner to register sooner than the owner would have been required to register if there had been no name change, the owner is, at the time the name change is reported, entitled to a refund from the county treasurer in the amount of the product of:

(A) eight and thirty-three hundredths percent (8.33%) of the owner's last preceding annual excise tax liability; multiplied by

(B) the number of full calendar months beginning after the owner's new regular annual registration month and ending before the next succeeding regular annual registration month that is based on the owner's former name.

(2) If the name change requires the owner to register later than the owner would have been required to register if there had been no name change, the recreational vehicle is subject to excise tax for the period beginning after the month in which the owner would have been required to register if there had been no name change and ending before the owner's new regular annual registration month in the amount of the product of:

(A) eight and thirty-three hundredths percent (8.33%) of the owner's excise tax liability computed as of the time the owner would have been required to register if there had been no name change; multiplied by

(B) the number of full calendar months beginning after the month in which the owner would have been required to register if there had been no name change and ending before the owner's new regular annual registration month.

As added by P.L.131-2008, SEC.22. Amended by P.L.87-2010, SEC.1.

IC 6-6-5.1-16

Truck campers; proration of tax; credits; refund for destroyed camper not replaced

Sec. 16. (a) This section applies only to truck campers.

(b) With respect to a truck camper that has been acquired, has been brought into Indiana, or for any other reason becomes subject

to taxation after the regular annual registration date in the year on or before which the owner of the truck camper is required under the state motor vehicle registration laws to register vehicles, the tax imposed by this chapter is due and payable at the time the truck camper is acquired, is brought into Indiana, or otherwise becomes subject to taxation under this chapter. The amount of tax to be paid by the owner for the remainder of the year shall be reduced by eight and thirty-three hundredths percent (8.33%) for each full calendar month that has elapsed since the regular annual registration date in the year fixed by the state motor vehicle registration laws for annual registration by the owner. The tax shall be paid within thirty (30) days after the date on which the truck camper is acquired, is brought into Indiana, or otherwise becomes subject to taxation under this chapter.

(c) If a truck camper is acquired, is brought into Indiana, or for any other reason becomes subject to taxation under this chapter after January 1 of any year, the owner may pay any excise tax due on the truck camper for the remainder of the annual registration year and simultaneously pay the excise tax due for the next succeeding annual registration year.

(d) The owner of a truck camper who sells the truck camper in a year in which the owner has paid the tax imposed by this chapter shall receive a credit equal to the remainder of:

(1) the tax paid for the truck camper; reduced by

(2) eight and thirty-three hundredths percent (8.33%) for each full or partial calendar month that has elapsed in the owner's annual registration year before the date of the sale.

The credit shall be applied to the tax due on any other truck camper acquired by the owner in the owner's annual registration year. If the credit is not fully used and the amount of the credit remaining is at least four dollars ($4), the owner is entitled to a refund in the amount of the unused credit. The owner must pay a fee of three dollars ($3) to the bureau to cover the costs of providing the refund, which may be deducted from the refund. The bureau shall issue the refund. The bureau shall transfer three dollars ($3) of the fee to the bureau of motor vehicles commission to cover the commission's costs in processing the refund. To claim the credit and refund provided by this subsection, the owner of the truck camper must present to the bureau proof of sale of the truck camper.

(e) Subject to the requirements of subsection (f), if a truck camper is destroyed in a year in which the owner has paid the tax imposed by this chapter and the truck camper is not replaced by a replacement truck camper for which a credit is issued under this section, the owner is entitled to a refund in an amount equal to eight and thirty-three hundredths percent (8.33%) of the tax paid for each full calendar month remaining in the owner's annual registration year after the date of destruction, but only upon presentation or return to the bureau of the following:

(1) A request for refund on a form furnished by the bureau.

(2) A statement of proof of destruction on an affidavit furnished

by the bureau.

However, the refund may not exceed ninety percent (90%) of the tax paid on the destroyed truck camper. The amount shall be refunded by a warrant issued by the auditor of the county that received the excise tax revenue and shall be paid out of the special account created under section 21 of this chapter for settlement of the excise tax collections. For purposes of this subsection, a truck camper is considered destroyed if the cost of repair of damages suffered by the truck camper exceeds the truck camper's fair market value.

(f) To claim a refund under subsection (e) for a truck camper that is destroyed, the owner of the truck camper must present to the bureau a valid receipt for the excise tax paid under this chapter on the truck camper within ninety (90) days after the date that the truck camper is destroyed. The bureau shall then fix the amount of the refund that the owner is entitled to receive.

(g) If the name of the owner of a truck camper is legally changed and the change has caused a change in the owner's annual registration date, the excise tax liability of the owner for the truck camper shall be adjusted as follows:

(1) If the name change requires the owner to register a motor vehicle sooner than the owner would have been required to register if there had been no name change, the owner is, at the time the name change is reported, entitled to a refund from the county treasurer in the amount of the product of:

(A) eight and thirty-three hundredths percent (8.33%) of the owner's last preceding annual excise tax liability; multiplied by

(B) the number of full calendar months beginning after the owner's new regular annual registration month and ending before the next succeeding regular annual registration month that is based on the owner's former name.

(2) If the name change requires the owner to register a motor vehicle later than the owner would have been required to register if there had been no name change, the truck camper is subject to excise tax for the period beginning after the month in which the owner would have been required to register if there had been no name change and ending before the owner's new regular annual registration month in the amount of the product of:

(A) eight and thirty-three hundredths percent (8.33%) of the owner's excise tax liability computed as of the time the owner would have been required to register a motor vehicle if there had been no name change; multiplied by

(B) the number of full calendar months beginning after the month in which the owner would have been required to register a motor vehicle if there had been no name change and ending before the owner's new regular annual registration month.

As added by P.L.131-2008, SEC.22. Amended by P.L.87-2010, SEC.2.

IC 6-6-5.1-17

Recreational vehicles; refund of taxes paid for vehicle used in another state

Sec. 17. (a) This section applies only to recreational vehicles.

(b) The owner of a recreational vehicle registered with the bureau is entitled to a refund of taxes paid under this chapter if, after the owner's regular registration date, the owner:

(1) registers the recreational vehicle for use in another state; and

(2) pays tax for use of the recreational vehicle to another state for the same period for which the tax was paid under this chapter.

(c) The refund provided under subsection (b) is equal to:

(1) the annual license excise tax paid for use of the recreational vehicle by the owner of the vehicle for the year; minus

(2) eight and thirty-three hundredths percent (8.33%) of the annual license excise tax paid for use of the recreational vehicle for each full or partial calendar month beginning after the date the annual license excise tax was due and ending before the date the owner registered the recreational vehicle for use in another state.

(d) To claim the refund provided by this section, the owner of the recreational vehicle must provide the bureau with:

(1) a request for a refund on a form furnished by the bureau; and

(2) proof that a tax described in subsection (b)(2) was paid.

As added by P.L.131-2008, SEC.22. Amended by P.L.87-2010, SEC.3.

IC 6-6-5.1-18

Truck campers; refund of taxes paid for camper used in another state

Sec. 18. (a) This section applies only to truck campers.

(b) The owner of a truck camper is entitled to a refund of taxes paid under this chapter if, after the owner's regular vehicle registration date:

(1) the owner moves and registers the truck on which the truck camper is installed for use in another state;

(2) the owner pays tax for use of the truck camper to another state for the same period for which the tax was paid under this chapter; and

(3) the truck camper is located and used in the other state for the same period for which the tax was paid under this chapter.

(c) The refund provided under subsection (b) is equal to:

(1) the annual excise tax paid for use of the truck camper by the owner of the truck camper for the year; minus

(2) eight and thirty-three hundredths percent (8.33%) of the annual excise tax paid for use of the truck camper for each full or partial calendar month beginning after the date the annual excise tax was due and ending before the date the owner registered the truck for use in another state.

As added by P.L.131-2008, SEC.22. Amended by P.L.87-2010,

SEC.4.

IC 6-6-5.1-19
Tax credit or refund claim; inspection of records; improperly allowed claims

Sec. 19. (a) To claim a credit or refund, or both, under this chapter, a person must provide a sworn statement to the bureau or to an agent branch of the bureau that the person is entitled to the credit or refund, or both, claimed by the person.

(b) The bureau may inspect records of a person claiming a credit or refund, or both, under this chapter to determine if a credit or refund, or both, were properly allowed against the excise tax imposed on a recreational vehicle or truck camper owned by the person.

(c) If the bureau determines that a credit or refund, or both, were improperly allowed for a recreational vehicle or truck camper, the person who claimed the credit or refund, or both, shall pay the bureau an amount equal to the credit or refund, or both, improperly allowed to the person plus a penalty of ten percent (10%) of the credit or refund, or both, improperly allowed. The tax collected under this subsection shall be paid to the county treasurer of the county in which the person resides. However, a penalty collected under this subsection shall be retained by the bureau.
As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-20
Registration form; schedules

Sec. 20. (a) The bureau shall include on all registration forms for recreational vehicles suitable spaces for the applicant's Social Security number or federal tax identification number, the amount of the registration fee, the amount of excise tax, the amount of a credit, if any, provided under section 13 of this chapter, and the total amount of payment due on account of the applicable registration fees and excise taxes upon the registration of the recreational vehicle. The forms must include spaces for showing the county, city or town, township, and address of the owner's residence.

(b) The bureau shall list on all registration forms for recreational vehicles the amount of registration fees and taxes due. In addition, the bureau shall prepare by December 1 of each year a schedule showing the excise tax payable on each make and model of recreational vehicle or truck camper.
As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-21
License branches; administration and collection of taxes; report; distribution of credited delinquent taxes

Sec. 21. (a) The bureau, in the administration and collection of the tax imposed by this chapter, may use the services and facilities of license branches operated under IC 9-16 in the bureau's administration of the state motor vehicle registration laws. The license branches may be used in the manner and to the extent the

bureau considers necessary and proper to implement and effectuate the administration and collection of the excise tax imposed by this chapter. However, if the bureau uses the license branches in the collection of excise taxes, the following apply:

(1) The excise taxes collected by each license branch, less any refunds made by the license branch, shall be deposited daily by the license branch in a separate account in a depository designated by the state board of finance. The county treasurer of the county for which the collections are due may withdraw funds from the account at least two (2) times each week. The county treasurer is responsible for the safekeeping and investment of money withdrawn by the county treasurer under this subdivision. Before the eleventh day of the month following the month in which the collections are made, the bureau shall report the excise taxes collected and refunds made outside the county to the county treasurer of the county to which the collections are due and the refunds apply. The bureau shall forward a copy of the excise tax report to the county auditor of the county.

(2) A license branch shall each week forward a report to the county auditor of the county to which the collections are due, showing the excise tax collected by the license branch on each recreational vehicle or truck camper, each refund made by the license branch on a recreational vehicle or truck camper, and a copy of each registration certificate for all collections and refunds of excise tax by the license branch within the county.

(3) Each license branch shall report to the bureau all excise taxes collected and refunds made by the license branch under this chapter in the same manner and at the same time as registration fees are reported.

(4) Premiums for insurance to protect the funds collected by license branches against theft shall be paid by the bureau, except that the bureau may issue blanket coverage for all branches. The bureau may:

(A) self-insure to cover the activities of the license branches; or

(B) rather than purchase a bond or crime insurance policy for each branch, purchase a single blanket bond or crime insurance policy endorsed to include faithful performance to cover all branches.

(5) If the services of a license branch are used by the bureau in the collection of the excise tax imposed by this chapter, the license branch shall collect the service charge prescribed under IC 9-29 for each vehicle registered on which an excise tax is collected by that branch.

(6) If the excise tax imposed by this chapter is collected by the department of state revenue, the money collected shall be deposited in the state general fund to the credit of the appropriate county and reported to the bureau on the first working day following the week of collection. Except as

provided in subdivision (7), money collected by the department that represents interest or a penalty shall be retained by the department and used to pay the department's costs of enforcing this chapter.

(7) This subdivision applies only to interest or a penalty collected by the department of state revenue from a person who:

(A) fails to properly register a recreational vehicle as required by IC 9-18 and pay the tax due under this chapter; and

(B) during any time after the date by which the recreational vehicle was required to be registered under IC 9-18 displays on the recreational vehicle a license plate issued by another state.

The total amount collected by the department of state revenue that represents interest or a penalty, minus a reasonable amount determined by the department to represent its administrative expenses, shall be deposited in the state general fund to the credit of the county in which the person resides. The amount shall be reported to the bureau on the first working day following the week of collection.

The bureau may contract with a bank card or credit card vendor for acceptance of bank cards or credit cards. However, if a bank card or credit card vendor charges a vendor transaction charge or discount fee, whether billed to the bureau or charged directly to the bureau's account, the bureau shall collect from a person using the card an official fee that may not exceed the highest transaction charge or discount fee charged to the bureau by bank card or credit card vendors during the most recent collection period. The fee may be collected regardless of retail merchant agreements between the bank card and credit card vendors that may prohibit such a fee. The fee is a permitted additional charge under IC 24-4.5-3-202.

(b) On or before April 1 of each year, the bureau shall provide to the auditor of state the amount of taxes collected under this chapter for each county for the preceding year.

(c) On or before May 10 and November 10 of each year, the auditor of state shall distribute to each county one-half (1/2) of:

(1) the amount of delinquent taxes; and

(2) any interest or penalty described in subsection (a)(7);

that have been credited to the county under subsection (a). There is appropriated from the state general fund the amount necessary to make the distributions required by this subsection. The county auditor shall apportion and distribute the delinquent tax distributions to the taxing units in the county at the same time and in the same manner as excise taxes are apportioned and distributed under section 22 of this chapter.

(d) The insurance commissioner shall prescribe the form of the bonds or crime insurance policies required by this section.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-22

Collection procedures; duties of county officials; distribution

Sec. 22. (a) The bureau shall establish procedures necessary for the collection and proper accounting of the tax imposed by this chapter. The necessary forms and records are subject to approval by the state board of accounts.

(b) The county treasurer, upon receiving the excise tax collections, shall place the collections into a separate account for settlement at the same time as property taxes are accounted for and settled in June and December of each year, with the right and duty of the county treasurer and county auditor to make advances before the time of final settlement of property taxes in the same manner as provided in IC 5-13-6-3.

(c) The county auditor shall determine the total amount of excise taxes collected under this chapter for each taxing unit in the county. The amount collected shall be apportioned and distributed among the respective funds of each taxing unit in the same manner and at the same time as property taxes are apportioned and distributed.

(d) The determination under subsection (c) shall be made from copies of vehicle registration forms and receipts for excise taxes paid on truck campers furnished by the bureau. Before the determination, the county assessor shall, from copies of registration forms and receipts, verify information pertaining to legal residence of persons owning taxable recreational vehicles and truck campers from the county assessor's records, to the extent the verification can be made. The county assessor shall further identify and verify from the assessor's records the taxing units within which the persons reside.

(e) Verifications under subsection (d) shall be completed not later than thirty (30) days after receipt of vehicle registration forms and receipts by the county assessor. The county assessor shall certify the information to the county auditor for the county auditor's use when the information is checked and completed.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-23

Verification of taxes collected for each taxing unit

Sec. 23. The county auditor shall, from the copies of vehicle registration forms and truck camper receipts furnished by the bureau, verify and determine the total amount of excise taxes collected under this chapter for each taxing unit in the county. The bureau shall verify the collections reported by the branches and provide the county auditor adequate and accurate audit information, registration form information, truck camper receipts, records, and materials to support the proper assessment, collection, and refund of excise taxes under this chapter.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-24

Political subdivisions; estimates of amounts to be distributed

Sec. 24. The county auditor shall, not later than August 1 of a year, furnish to the proper officer of each political subdivision an

estimate of the money to be distributed to the taxing units under this chapter during the next calendar year. The budget of each political subdivision must show the estimated amounts to be received for each fund for which a property tax is proposed to be levied.
As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-25
Registration without payment of tax; offenses

Sec. 25. (a) An owner of a recreational vehicle who knowingly registers the recreational vehicle without paying the tax required by this chapter commits a Class B misdemeanor.

(b) An employee of the bureau or a branch manager or employee of a license branch office who recklessly issues a registration on any recreational vehicle without collecting the tax required to be collected under this chapter with the registration commits a Class B misdemeanor.
As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-26
Registration without payment of tax; void registration

Sec. 26. The registration of a recreational vehicle registered without payment of the tax imposed by this chapter is void. The bureau shall take possession of the registration certificate, license plate, and other evidence of registration until the owner pays the delinquent taxes and an additional fee of ten dollars ($10) to compensate the bureau for performing the additional duties.
As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-27
Bureau contract for collection of tax

Sec. 27. In the administration and collection of the taxes imposed by this chapter, the bureau may contract with a collection agency that is authorized to collect and receive property taxes on behalf of the county treasurer. A collection agency with which the bureau contracts may collect on behalf of the bureau the taxes imposed by this chapter and the registration fees and charges as the bureau directs. A collection agency that contracts with the bureau under this section shall comply with the requirements concerning the collection of property taxes on behalf of county treasurers and other requirements, including the posting of a bond, as may be established by the bureau.
As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-28
Limitation on indebtedness of political or municipal corporations; effect

Sec. 28. (a) The tax imposed by this chapter is equal to an average property tax rate of two dollars ($2) on each one hundred dollars ($100) of taxable value.

(b) For purposes of limitations on indebtedness of political or municipal corporations imposed by Article 13, Section 1 of the

Constitution of the State of Indiana, recreational vehicles and truck campers subject to the tax under this chapter are considered to be taxable property within each political or municipal corporation where the owner resides.

(c) The assessed valuation of recreational vehicles and truck campers subject to the tax under this chapter shall be determined by multiplying the amount of the tax by one hundred (100) and dividing the result by two dollars ($2).

As added by P.L.131-2008, SEC.22.

IC 6-6-5.1-29

Consolidation of taxes for taxpayers owning more than one vehicle or camper

Sec. 29. In the administration and collection of the tax imposed by this chapter, the bureau may coordinate and consolidate the collection of the taxes imposed on all recreational vehicles and truck campers owned by a taxpayer following procedures the bureau considers reasonable and feasible, including the revocation of all registrations of recreational vehicles registered by the owner if the owner willfully fails and refuses to pay the tax imposed by this chapter. Upon a revocation of registration, the bureau shall notify the department of state revenue of the name and address of the taxpayer.

As added by P.L.131-2008, SEC.22.

IC 6-6-5.5

Chapter 5.5. Commercial Vehicle Excise Tax

IC 6-6-5.5-1

Definitions

Sec. 1. (a) Unless defined in this section, terms used in this chapter have the meaning set forth in the International Registration Plan or in IC 6-6-5 (motor vehicle excise tax). Definitions set forth in the International Registration Plan, as applicable, prevail unless given a different meaning in this section or in rules adopted under authority of this chapter. The definitions in this section apply throughout this chapter.

(b) As used in this chapter, "base revenue" means the minimum amount of commercial vehicle excise tax revenue that a taxing unit will receive in a year.

(c) As used in this chapter, "commercial vehicle" means any of the following:

(1) An Indiana-based vehicle subject to apportioned registration under the International Registration Plan.

(2) A vehicle subject to apportioned registration under the International Registration Plan and based and titled in a state other than Indiana subject to the conditions of the International Registration Plan.

(3) A truck, road tractor, tractor, trailer, semitrailer, or truck-tractor subject to registration under IC 9-18.

(d) As used in this chapter, "declared gross weight" means the weight at which a vehicle is registered with:

(1) the bureau; or

(2) the International Registration Plan.

(e) As used in this chapter, "department" means the department of state revenue.

(f) As used in this chapter, "fleet" means one (1) or more apportionable vehicles.

(g) As used in this chapter, "gross weight" means the total weight of a vehicle or combination of vehicles without load, plus the weight of any load on the vehicle or combination of vehicles.

(h) As used in this chapter, "Indiana-based" means a vehicle or fleet of vehicles that is base-registered in Indiana under the terms of the International Registration Plan.

(i) As used in this chapter, "in-state miles" means the total number of miles operated by a commercial vehicle or fleet of commercial vehicles in Indiana during the preceding year.

(j) As used in this chapter, "motor vehicle" has the meaning set forth in IC 9-13-2-105(a).

(k) As used in this chapter, "owner" means the person in whose name the commercial vehicle is registered under IC 9-18 or the International Registration Plan.

(l) As used in this chapter, "preceding year" means a period of twelve (12) consecutive months fixed by the department which shall be within the eighteen (18) months immediately preceding the

commencement of the registration year for which proportional registration is sought.

(m) As used in this chapter, "road tractor" has the meaning set forth in IC 9-13-2-156.

(n) As used in this chapter, "semitrailer" has the meaning set forth in IC 9-13-2-164(a).

(o) As used in this chapter, "tractor" has the meaning set forth in IC 9-13-2-180.

(p) As used in this chapter, "trailer" has the meaning set forth in IC 9-13-2-184(a).

(q) As used in this chapter, "truck" has the meaning set forth in IC 9-13-2-188(a).

(r) As used in this chapter, "truck-tractor" has the meaning set forth in IC 9-13-2-189(a).

(s) As used in this chapter, "vehicle" means a motor vehicle, trailer, or semitrailer subject to registration under IC 9-18 as a condition of its operation on the public highways pursuant to the motor vehicle registration laws of the state.

As added by P.L.181-1999, SEC.2. Amended by P.L.182-2009(ss), SEC.238.

IC 6-6-5.5-2

Applicability of chapter

Sec. 2. (a) Except as provided in subsection (b), this chapter applies to all commercial vehicles.

(b) This chapter does not apply to the following:

(1) Vehicles owned or leased and operated by the United States, the state, or political subdivisions of the state.

(2) Mobile homes and motor homes.

(3) Vehicles assessed under IC 6-1.1-8.

(4) Buses subject to apportioned registration under the International Registration Plan.

(5) Vehicles subject to taxation under IC 6-6-5.

(6) Vehicles owned or leased and operated by a postsecondary educational institution described in IC 6-3-3-5(d).

(7) Vehicles owned or leased and operated by a volunteer fire department (as defined in IC 36-8-12-2).

(8) Vehicles owned or leased and operated by a volunteer emergency ambulance service that:

(A) meets the requirements of IC 16-31; and

(B) has only members that serve for no compensation or a nominal annual compensation of not more than three thousand five hundred dollars ($3,500).

(9) Vehicles that are exempt from the payment of registration fees under IC 9-18-3-1.

(10) Farm wagons.

(11) A vehicle in the inventory of vehicles held for sale by a manufacturer, distributor, or dealer in the course of business.

As added by P.L.181-1999, SEC.2. Amended by P.L.14-2000, SEC.19; P.L.2-2007, SEC.127.

IC 6-6-5.5-3
Imposition; apportionment; applicability of IC 6-8.1; exemption from personal property and ad valorem taxes

Sec. 3. (a) There is imposed an annual license excise tax upon commercial vehicles, which tax shall be in lieu of the ad valorem property tax levied for state or local purposes, but in addition to any registration fees imposed on such vehicles.

(b) Owners of commercial vehicles paying an apportioned registration to the state under the International Registration Plan shall pay an apportioned excise tax calculated by dividing in-state actual miles by total fleet miles generated during the preceding year. If in-state miles are estimated for purposes of proportional registration, these miles are divided by total actual and estimated fleet miles.

(c) The tax imposed by this chapter is a listed tax and subject to the provisions of IC 6-8.1.

(d) No commercial vehicle subject to taxation under this chapter shall be assessed as personal property for the purpose of the assessment and levy of personal property taxes or shall be subject to ad valorem taxes, whether or not such vehicle is in fact registered pursuant to the motor vehicle registration laws. No person shall be required to give proof of the payment of ad valorem property taxes as a condition to the registration of any vehicle that is subject to the tax imposed by this chapter.

As added by P.L.181-1999, SEC.2. Amended by P.L.293-2013(ts), SEC.20.

IC 6-6-5.5-4
Repealed

(Repealed by P.L.293-2013(ts), SEC.21.)

IC 6-6-5.5-5
Repealed

(Repealed by P.L.293-2013(ts), SEC.22.)

IC 6-6-5.5-6
Repealed

(Repealed by P.L.293-2013(ts), SEC.23.)

IC 6-6-5.5-7 Version a
Tax on commercial vehicles

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 7. (a) The annual excise tax for a commercial vehicle will be determined by the motor carrier services division on or before October 1 of each year in accordance with the following formula:

STEP ONE: Determine the total amount of base revenue for all taxing units using the base revenue determined for each taxing unit under section 19 of this chapter.

STEP TWO: Determine the sum of fees paid to register the following commercial vehicles in Indiana under the following

statutes during the fiscal year that ends June 30 immediately preceding the calendar year for which the tax is first due and payable:

(A) Total registration fees collected under IC 9-29-5-3 for commercial vehicles with a declared gross weight in excess of eleven thousand (11,000) pounds, including trucks, tractors not used with semitrailers, traction engines, and other similar vehicles used for hauling purposes;

(B) Total registration fees collected under IC 9-29-5-5 for tractors used with semitrailers;

(C) Total registration fees collected under IC 9-29-5-6 for semitrailers used with tractors;

(D) Total registration fees collected under IC 9-29-5-4 for trailers having a declared gross weight in excess of three thousand (3,000) pounds; and

(E) Total registration fees collected under IC 9-29-5-13 for trucks, tractors and semitrailers used in connection with agricultural pursuits usual and normal to the user's farming operation, multiplied by two hundred percent (200%).

STEP THREE: Determine the tax factor by dividing the STEP ONE result by the STEP TWO result.

(b) Except as otherwise provided in this chapter, the annual excise tax for commercial vehicles with a declared gross weight in excess of eleven thousand (11,000) pounds, including trucks, tractors not used with semitrailers, traction engines, and other similar vehicles used for hauling purposes, shall be determined by multiplying the registration fee under IC 9-29-5-3 by the tax factor determined in subsection (a).

(c) Except as otherwise provided in this chapter, the annual excise tax for tractors used with semitrailers shall be determined by multiplying the registration fee under IC 9-29-5-5 by the tax factor determined in subsection (a).

(d) Except as otherwise provided in this chapter, the annual excise tax for trailers having a declared gross weight in excess of three thousand (3,000) pounds shall be determined by multiplying the registration fee under IC 9-29-5-4 by the tax factor determined in subsection (a).

(e) The annual excise tax for a semitrailer shall be determined by multiplying the average annual registration fee under IC 9-29-5-6 by the tax factor determined in subsection (a). The average annual registration fee for a semitrailer under IC 9-29-5-6 is sixteen dollars and seventy-five cents ($16.75).

(f) The annual excise tax determined under this section shall be rounded upward to the next full dollar amount.

As added by P.L.181-1999, SEC.2. Amended by P.L.14-2000, SEC.20; P.L.182-2009(ss), SEC.239; P.L.293-2013(ts), SEC.24.

IC 6-6-5.5-7 Version b

Tax on commercial vehicles

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 7. (a) The annual excise tax for a commercial vehicle will be determined by the motor carrier services division on or before October 1 of each year in accordance with the following formula:

STEP ONE: Determine the total amount of base revenue for all taxing units using the base revenue determined for each taxing unit under section 19 of this chapter.

STEP TWO: Determine the sum of registration fees paid and collected under IC 9-29-5 to register the following commercial vehicles in Indiana under the following statutes during the fiscal year that ends June 30 immediately preceding the calendar year for which the tax is first due and payable:

(A) Commercial vehicles with a declared gross weight in excess of eleven thousand (11,000) pounds, including trucks, tractors not used with semitrailers, traction engines, and other similar vehicles used for hauling purposes.

(B) Tractors used with semitrailers.

(C) Semitrailers used with tractors.

(D) Trailers having a declared gross weight in excess of three thousand (3,000) pounds.

(E) Trucks, tractors and semitrailers used in connection with agricultural pursuits usual and normal to the user's farming operation, multiplied by two hundred percent (200%).

STEP THREE: Determine the tax factor by dividing the STEP ONE result by the STEP TWO result.

(b) Except as otherwise provided in this chapter, the annual excise tax for commercial vehicles with a declared gross weight in excess of eleven thousand (11,000) pounds, including trucks, tractors not used with semitrailers, traction engines, and other similar vehicles used for hauling purposes, shall be determined by multiplying the registration fee under IC 9-29-5-3.2 by the tax factor determined in subsection (a).

(c) Except as otherwise provided in this chapter, the annual excise tax for tractors used with semitrailers shall be determined by multiplying the registration fee under IC 9-29-5-5 by the tax factor determined in subsection (a).

(d) Except as otherwise provided in this chapter, the annual excise tax for trailers having a declared gross weight in excess of three thousand (3,000) pounds shall be determined by multiplying the registration fee under IC 9-29-5-4 by the tax factor determined in subsection (a).

(e) The annual excise tax for a semitrailer shall be determined by multiplying the average annual registration fee under IC 9-29-5-6 by the tax factor determined in subsection (a). The average annual registration fee for a semitrailer under IC 9-29-5-6 is sixteen dollars and seventy-five cents ($16.75).

(f) The annual excise tax determined under this section shall be rounded upward to the next full dollar amount.

As added by P.L.181-1999, SEC.2. Amended by P.L.14-2000, SEC.20; P.L.182-2009(ss), SEC.239; P.L.293-2013(ts), SEC.24; P.L.216-2014, SEC.6.

IC 6-6-5.5-7.5
Farm vehicles

Sec. 7.5. Notwithstanding any other provision, the annual excise tax for a motor vehicle, trailer, or semitrailer and tractor operated primarily as a farm truck, farm trailer, or farm semitrailer and tractor as described in IC 9-29-5-13 is fifty percent (50%) of the amount listed in this chapter for a truck, trailer, or semitrailer and tractor of the same declared gross weight.
As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-8
Due date for tax on registered vehicles; vouchers

Sec. 8. (a) Except as otherwise provided in this chapter, the excise tax imposed under this chapter upon commercial vehicles shall be payable for each registration year, by the owners thereof, in respect to vehicles required to be registered for such registration year as provided in the motor vehicle laws of Indiana and the International Registration Plan. Except as provided in section 9 of this chapter, the excise tax shall be due on or before the regular annual registration date in each year in which the owner is required under the motor vehicle registration laws of Indiana or the terms of the International Registration Plan to register vehicles and the excise tax shall be paid at the time the vehicle is registered by the owner. The payment of the excise tax imposed by this chapter shall be a condition of the right to register or reregister the vehicle and shall be in addition to all other conditions prescribed by law.

(b) A voucher from the department showing payment of the excise tax imposed by this chapter may be accepted by the bureau in lieu of a payment under subsection (a).
As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-8.5
Credit

Sec. 8.5. (a) The owner of a vehicle for which the commercial vehicle excise tax has been paid for the registrant's annual registration year is entitled to a credit if during that registration year:

(1) the owner sells the vehicle and purchases a new vehicle of the same or greater weight;
(2) the vehicle is destroyed and replaced with a vehicle of the same or greater weight; or
(3) the vehicle was registered in error at a greater weight than required.

(b) Except as provided in subsection (c), the amount of the credit is equal to the remainder of:

(1) the commercial vehicle excise tax paid for the vehicle, reduced by;
(2) one-twelfth (1/12) for each full or partial calendar month that has elapsed in the registrant's annual registration year before the date of the sale or replacement of the vehicle.

The credit applies to the tax due on any other vehicle purchased or

subsequently registered by the owner in the same registrant's annual registration year.

(c) The owner of a vehicle registered in error at a greater weight than required is entitled to receive a credit equal to the commercial vehicle excise tax paid for the vehicle registered at the greater weight. However, no refund may be provided for any remainder of the tax paid when registering the vehicle at a lower weight.

(d) The owner of a vehicle is not entitled to a refund of any part of a credit that is not used under this section.

(e) A credit expires at the end of the registrant's annual registration year.

(f) To claim the credit authorized in subsection (a)(1), the owner of the vehicle must present to the bureau proof of the sale of the vehicle.

(g) To claim the credit authorized in subsection (a)(2), the owner of the vehicle must present to the bureau a statement of proof of the destruction of the vehicle on an affidavit furnished by the bureau. The owner must also present a valid registration for the vehicle within ninety (90) days after the date that it was destroyed. For purposes of this subsection, a vehicle is considered destroyed if the estimated cost of repair exceeds the vehicle's fair market value. After receipt of the statement and registration, the bureau shall fix the amount of the credit that the owner is entitled to receive.

(h) To claim the credit authorized under subsection (a)(3), the owner of the vehicle must present to the bureau on an affidavit furnished by the bureau evidence acceptable to the bureau that the vehicle was registered in error at a greater weight than required.

As added by P.L.129-2001, SEC.19.

IC 6-6-5.5-9

Due date for tax on registered semitrailers; vouchers

Sec. 9. (a) The excise tax on a semitrailer that is registered on a permanent basis shall be due on or before the regular date each year in which the owner is required to renew such registration under the terms of the International Registration Plan or under rules adopted by the bureau under IC 9-18-10-3. The excise tax shall be paid at the time the registration is renewed by the owner. The payment of the excise tax imposed by this chapter shall be a condition of the right to renew the permanent registration and shall be in addition to all other conditions prescribed by law.

(b) A voucher from the department showing payment of the excise tax imposed by this chapter may be accepted by the bureau in lieu of a payment under subsection (a).

As added by P.L.181-1999, SEC.2. Amended by P.L.293-2013(ts), SEC.25.

IC 6-6-5.5-10

Tax on registered vehicles for calendar years after 2000

Sec. 10. (a) For calendar years that begin after December 31, 2000, a vehicle subject to the International Registration Plan that is

registered after the date designated for registration of the vehicle under IC 9-18-2-7 or under rules adopted by the department shall be taxed at a rate determined by the following formula:

STEP ONE: Determine the number of months before the vehicle must be registered. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual excise tax for the vehicle by the STEP TWO product.

(b) A vehicle that is registered with the bureau after the date designated for registration of the vehicle under IC 9-18-2-7 shall be taxed at a rate determined by the formula set forth in subsection (a).
As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-11
Procedures in administering chapter

Sec. 11. In administering this chapter, the bureau shall follow the procedures set forth in IC 6-6-5-8, IC 6-6-5-13, and IC 6-6-5-15.
As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-12
Repealed

(Repealed by P.L.1-2002, SEC.172.)

IC 6-6-5.5-13
Property tax equivalent of taxes imposed after February 28, 2001

Sec. 13. (a) This section applies to excise taxes imposed by this chapter after February 28, 2001.

(b) The excise tax imposed by this chapter is hereby determined to be equivalent to an average property tax rate of two dollars ($2) on each one hundred dollars ($100) of taxable value. For the purpose of limitations on indebtedness of political or municipal corporations imposed by Article 13, Section 1 of the Constitution of the State of Indiana, commercial vehicles subject to tax under this chapter shall be deemed to be taxable property within each such political or municipal corporation where the owner resides as shown on the records of the bureau or where the commercial vehicle is based, as shown on the records of the department. The assessed valuation of such vehicles shall be determined by multiplying the amount of the tax by one hundred (100) and dividing the product by two dollars ($2).
As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-14
Commercial vehicle excise tax reserve fund; establishment

Sec. 14. (a) The commercial vehicle excise tax reserve fund is established for the purpose of receiving commercial vehicle excise taxes first due and payable in calendar year 2000. The fund shall be administered by the department.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) Any money remaining in the fund on March 1, 2006, shall revert to the motor carrier regulation fund established under IC 8-2.1-23-1.

As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-15
Repealed

(Repealed by P.L.2-2005, SEC.131.)

IC 6-6-5.5-16
Commercial vehicle excise tax fund; establishment

Sec. 16. (a) The commercial vehicle excise tax fund is established for the purpose of receiving commercial vehicle excise taxes first due and payable in 2001 and thereafter. The fund shall be administered by the department.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-17
Commercial vehicle excise tax fund; deposits

Sec. 17. (a) The department shall promptly deposit all amounts collected under section 3(b) of this chapter into the commercial vehicle excise tax fund for distribution to the taxing units (as defined in IC 6-1.1-1-21) of Indiana. The amount to be distributed to the taxing units of Indiana each year is determined under section 19 of this chapter.

(b) The bureau of motor vehicles shall promptly deposit all amounts collected under this chapter into the commercial vehicle excise tax fund for distribution to the taxing units (as defined in IC 6-1.1-1-21) of Indiana. The amount to be distributed to the taxing units of Indiana each year is determined under section 19 of this chapter.

(c) A contractor providing:

(1) a full service license branch under IC 9-16-1-4; or

(2) a partial service license branch under IC 9-16-1-4.5;

shall remit the amount of commercial vehicle excise tax collected each week to the bureau of motor vehicles for deposit into the commercial vehicle excise tax fund.
As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-18
Repealed
(Repealed by P.L.219-2007, SEC.149.)

IC 6-6-5.5-19
Determination of taxing units' base revenues and distribution percentages

Sec. 19. (a) As used in this section, "assessed value" means an amount equal to the true tax value of commercial vehicles that:

(1) are subject to the commercial vehicle excise tax under this chapter; and

(2) would have been subject to assessment as personal property on March 1, 2000, under the law in effect before January 1, 2000.

(b) For calendar year 2001, a taxing unit's base revenue shall be determined as provided in subsection (f). For calendar years that begin after December 31, 2001, and before January 1, 2009, a taxing unit's base revenue shall be determined by multiplying the previous year's base revenue by one hundred five percent (105%). For calendar years that begin after December 31, 2008, a taxing unit's base revenue is equal to:

(1) the amount of commercial vehicle excise tax collected during the previous state fiscal year; multiplied by

(2) the taxing unit's percentage as determined in subsection (f) for calendar year 2001.

(c) The amount of commercial vehicle excise tax distributed to the taxing units of Indiana from the commercial vehicle excise tax fund shall be determined in the manner provided in this section.

(d) On or before July 1, 2000, each county assessor shall certify to the county auditor the assessed value of commercial vehicles in every taxing district.

(e) On or before August 1, 2000, the county auditor shall certify the following to the department of local government finance:

(1) The total assessed value of commercial vehicles in the county.

(2) The total assessed value of commercial vehicles in each taxing district of the county.

(f) The department of local government finance shall determine each taxing unit's base revenue by applying the current tax rate for each taxing district to the certified assessed value from each taxing district. The department of local government finance shall also determine the following:

(1) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in Indiana.

(2) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in each county.

(3) Each county's total distribution percentage. A county's total distribution percentage shall be determined by dividing the total amount of base revenue to be distributed in 2001 to all taxing units in the county by the total base revenue to be distributed statewide.

(4) Each taxing unit's distribution percentage. A taxing unit's distribution percentage shall be determined by dividing each taxing unit's base revenue by the total amount of base revenue to be distributed in 2001 to all taxing units in the county.

(g) The department of local government finance shall certify each taxing unit's base revenue and distribution percentage for calendar year 2001 to the auditor of state on or before September 1, 2000.

(h) The auditor of state shall keep permanent records of each taxing unit's base revenue and distribution percentage for calendar year 2001 for purposes of determining the amount of money each taxing unit in Indiana is entitled to receive in calendar years that begin after December 31, 2001.

As added by P.L.181-1999, SEC.2. Amended by P.L.14-2000, SEC.21; P.L.90-2002, SEC.306; P.L.182-2009(ss), SEC.240.

IC 6-6-5.5-20

Distributions to counties and taxing units; deduction by auditor of state

Sec. 20. (a) On or before May 1, subject to subsections (c) and (d), the auditor of state shall distribute to each county auditor an amount equal to fifty percent (50%) of the product of:

(1) the county's distribution percentage; multiplied by

(2) the total commercial vehicle excise tax deposited in the commercial vehicle excise tax fund in the preceding calendar year.

(b) On or before December 1, subject to subsections (c) and (d), the auditor of state shall distribute to each county auditor an amount equal to fifty percent (50%) of the product of:

(1) the county's distribution percentage; multiplied by

(2) the total commercial vehicle excise tax deposited in the commercial vehicle excise tax fund in the preceding calendar year.

(c) Before distributing the amounts under subsections (a) and (b), the auditor of state shall deduct for a county unit an amount for deposit in a state fund, as directed by the budget agency, equal to the result determined under STEP FIVE of the following formula:

STEP ONE: Separately for 2006, 2007, and 2008, determine the result of:

(A) the tax rate imposed by the county in the year for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund,

children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(B) the aggregate tax rate imposed by the county unit and, in the case of Marion County, the health and hospital corporation in the year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Divide the STEP TWO result by three (3).

STEP FOUR: Determine the amount that would otherwise be distributed to the county under subsection (a) or (b), as appropriate, without regard to this subsection.

STEP FIVE: Determine the result of:

(A) the STEP THREE amount; multiplied by

(B) the STEP FOUR result.

(d) Before distributing the amounts under subsections (a) and (b), the auditor of state shall deduct for a school corporation an amount for deposit in a state fund, as directed by the budget agency, equal to the result determined under STEP FIVE of the following formula:

STEP ONE: Separately for 2006, 2007, and 2008, determine the result of:

(A) the tax rate imposed by the school corporation in the year for the tuition support levy under IC 6-1.1-19-1.5 (repealed) or IC 20-45-3-11 (repealed) for the school corporation's general fund plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund; divided by

(B) the aggregate tax rate imposed by the school corporation in the year.

STEP TWO: Determine the sum of the results determined under STEP ONE.

STEP THREE: Divide the STEP TWO result by three (3).

STEP FOUR: Determine the amount of commercial vehicle excise tax that would otherwise be distributed to the school corporation under subsection (a) or (b), as appropriate, without regard to this subsection.

STEP FIVE: Determine the result of:

(A) the STEP FOUR amount; multiplied by

(B) the STEP THREE result.

(e) Upon receipt, the county auditor shall distribute to the taxing units an amount equal to the product of the taxing unit's distribution percentage multiplied by the total distributed to the county under this section. The amount determined shall be apportioned and distributed among the respective funds of each taxing unit in the same manner and at the same time as property taxes are apportioned and distributed (subject to adjustment as provided in IC 36-8-19-7.5 after December 31, 2009).

(f) In the event that sufficient funds are not available in the commercial vehicle excise tax fund for the distributions required by

subsection (a) and subsection (b)(1), the auditor of state shall transfer funds from the commercial vehicle excise tax reserve fund.

(g) The auditor of state shall, not later than July 1 of each year, furnish to each county auditor an estimate of the amounts to be distributed to the counties under this section during the next calendar year. Before August 1, each county auditor shall furnish to the proper officer of each taxing unit of the county an estimate of the amounts to be distributed to the taxing units under this section during the next calendar year and the budget of each taxing unit shall show the estimated amounts to be received for each fund for which a property tax is proposed to be levied.

As added by P.L.181-1999, SEC.2. Amended by P.L.146-2008, SEC.354; P.L.182-2009(ss), SEC.241.

IC 6-6-5.5-21

Appropriations for bureau expenses

Sec. 21. There is hereby appropriated to the bureau from the state general fund, from monies not otherwise appropriated, a sum sufficient to defray the expenses incurred by the bureau in the administration of the excise tax provisions of this chapter. Only those expenses that would not otherwise be incurred in the administration of the motor vehicle registration laws of this state shall be paid out of the state general fund. The budget agency shall approve all funds paid out of the state general fund as required in this section.

As added by P.L.181-1999, SEC.2.

IC 6-6-5.5-22

Appropriations for department expenses

Sec. 22. There is hereby appropriated to the department from the state general fund, from monies not otherwise appropriated, a sum sufficient to defray the expenses incurred by the department in the administration of the excise tax provisions of this chapter. Only those expenses that would not otherwise be incurred in the administration of the International Registration Plan shall be paid out of the general fund. The budget agency shall approve all funds paid out of the general fund as required in this section.

As added by P.L.181-1999, SEC.2.

IC 6-6-6

Chapter 6. Commercial Vessel Tonnage Tax

IC 6-6-6-1

"Commercial vessel" defined

Sec. 1. For purposes of this chapter, the term "commercial vessel" means a watercraft which is engaged in commerce.

(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-2

Taxable vessel; rate

Sec. 2. Each year a commercial vessel is subject to the tonnage tax imposed under this chapter if the vessel is, under the navigation laws of the United States, registered at an Indiana port on May 1st of that year. The amount of tonnage tax due for the year on the vessel is three cents ($ .03) per net ton.

(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-3

Return; filing

Sec. 3. On or before July 1st of each year, the following persons shall file a tonnage tax return with the state auditor:

(1) each navigation company incorporated under the laws of this state; and

(2) each person who, on May 1st of that year, owned a commercial vessel which was, under the navigation laws of the United States, registered at an Indiana port on May 1st of that year.

The tonnage tax return for a year shall contain the name of each commercial vessel owned on May 1st of that year by the person filing the return. The return shall also contain the tonnage and port of registration, as of May 1st of that year, of each vessel listed on the return.

(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-4

Certified copy of registration certificate required

Sec. 4. When he files his first tonnage tax return, a commercial vessel owner shall include with the return a certified copy of the most recent registration certificate for each vessel which he owns and which is registered at an Indiana port. The vessel owner shall include with each subsequent return a certified copy of any registration certificate issued to him for such a vessel after the date on which he filed his immediately preceding tonnage tax return.

(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-5

Liability for tax; payment date

Sec. 5. The owner of a commercial vessel is liable for the tonnage tax imposed on it. Each year a commercial vessel owner shall, when he files his tonnage tax return, pay the state the total amount of

tonnage taxes which he owes for that year. Thus, the owner shall pay the tonnage taxes due for a year on or before July 1st of that year. The state treasurer shall issue a receipt to the owner for the tonnage taxes paid.
(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-6
Department of local government finance; powers and duties

Sec. 6. For purposes of this chapter, the department of local government finance:

(1) shall prescribe or promulgate the tonnage tax return and any other forms required in order to carry out this chapter;
(2) shall interpret this chapter and instruct a taxing official about the official's duties under it when requested to do so by the official or by a person affected by this chapter;
(3) shall see that the taxes imposed by this chapter are collected;
(4) shall see that the penalties prescribed under this chapter are enforced; and
(5) may exercise those same powers to subpoena and examine records and witnesses which the board has under IC 6-1.1-30-13.

(Formerly: Acts 1975, P.L.47, SEC.3.) As amended by Acts 1977, P.L.2, SEC.33; P.L.90-2002, SEC.307.

IC 6-6-6-7
Tax in lieu of property taxes

Sec. 7. The tonnage tax imposed on commercial vessels under this chapter is imposed in lieu of property taxes. Thus, commercial vessels which are taxed under this chapter may not be assessed or taxed under IC 1971, 6-1.1.
(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-8
Navigation companies; failure to file return; actions against

Sec. 8. If a navigation company incorporated under the laws of this state has not filed a required tonnage tax return and paid the tonnage tax within thirty (30) days after the July 1st due date, the state auditor shall report that fact to the attorney general. The attorney general shall then proceed to institute an action against the company for the sequestration of its property, the forfeiture of its charter, and its final dissolution. When the attorney general initiates an action under this section, the company may be required to pay the state, in addition to the delinquent tonnage taxes, a penalty of five hundred dollars ($500).
(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-9
Navigation companies; false returns; penalty

Sec. 9. If a navigation company files a false tonnage tax return, the company shall pay the state a penalty of one thousand dollars

($1,000). The attorney general shall initiate an action in the name of the state to recover this penalty.
(Formerly: Acts 1975, P.L.47, SEC.3.)

IC 6-6-6-10
Violations by state or local officers; offense

Sec. 10. An officer of state or local government who knowingly violates this chapter, or knowingly fails to perform a duty imposed on him under this chapter, commits a Class A misdemeanor.
(Formerly: Acts 1975, P.L.47, SEC.3.) As amended by Acts 1978, P.L.2, SEC.642.

IC 6-6-6.5

Chapter 6.5. Aircraft License Excise Tax

IC 6-6-6.5-0.1

Application of certain amendments to chapter

Sec. 0.1. The amendments made to section 9 of this chapter by P.L.224-2003 apply to aircraft excise taxes and registration fees imposed under this chapter after December 31, 2003.

As added by P.L.220-2011, SEC.159.

IC 6-6-6.5-1

Definitions

Sec. 1. As used in this chapter, unless the context clearly indicates otherwise:

(a) "Aircraft" means a device which is designed to provide air transportation for one (1) or more individuals or for cargo.

(b) "State" means the state of Indiana.

(c) "Department" refers to the department of state revenue.

(d) "Person" includes an individual, a partnership, a firm, a corporation, a limited liability company, an association, a trust, or an estate, or a legal representative of such.

(e) "Owner" means a person who holds or is required to obtain a certificate of registration from the Federal Aviation Administration for a specific aircraft. In the event an aircraft is the subject of an agreement for the conditional sale or lease with the right of purchase upon the performance of the conditions stated in the agreement and with an immediate right of possession of the aircraft vested in the conditional vendee or lessee, or in the event the mortgagor of an aircraft is entitled to possession, then the conditional vendee or lessee or mortgagor shall be deemed to be the owner for purposes of this chapter.

(f) "Dealer" means a person who has an established place of business in this state, is required to obtain a certificate under IC 6-2.5-8-1 or IC 6-2.5-8-3 and is engaged in the business of manufacturing, buying, selling, or exchanging new or used aircraft.

(g) "Maximum landing weight" means the maximum weight of the aircraft, accessories, fuel, pilot, passengers, and cargo that is permitted on landing under the best conditions, as determined for an aircraft by the appropriate federal agency or the certified allowable gross weight published by the manufacturer of the aircraft.

(h) "Resident" means an individual or a fiduciary who resides or is domiciled within Indiana or any corporation or business association which maintains a fixed and established place of business within Indiana for a period of more than sixty (60) days in any one (1) year.

(i) "Taxable aircraft" means an aircraft required to be registered with the department by this chapter.

(j) "Regular annual registration date" means the last day of February of each year.

(k) "Taxing district" means a geographic area within which

property is taxed by the same taxing units and at the same total rate.

(l) "Taxing unit" means an entity which has the power to impose ad valorem property taxes.

(m) "Base" means the location or place where the aircraft is normally hangared, tied down, housed, parked, or kept, when not in use.

(n) "Homebuilt aircraft" means an aircraft constructed primarily by an individual for personal use. The term homebuilt aircraft does not include an aircraft constructed primarily by a for-profit aircraft manufacturing business.

(o) "Pressurized aircraft" means an aircraft equipped with a system designed to control the atmospheric pressure in the crew or passenger cabins.

(p) "Establishing a base" means renting or leasing a hangar or tie down for a particular aircraft for at least thirty-one (31) days.

(q) "Inventory aircraft" means an aircraft held for resale by a registered Indiana dealer.

(r) "Repair station" means a person who holds a repair station certificate that was issued to the person by the Federal Aviation Administration under 14 CFR Part 145.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.1; Acts 1980, P.L.74, SEC.18; P.L.93-1983, SEC.1; P.L.18-1990, SEC.24; P.L.8-1993, SEC.100; P.L.18-1994, SEC.38; P.L.65-1997, SEC.4; P.L.97-1998, SEC.1; P.L.24-2007, SEC.2.

IC 6-6-6.5-2

Necessity of registration

Sec. 2. (a) Except as otherwise provided in this chapter, any resident of this state who owns an aircraft shall register the aircraft with the department not later than thirty-one (31) days after the purchase date.

(b) Except as otherwise provided in this chapter, any nonresident who bases an aircraft in this state for more than sixty (60) days shall register the aircraft with the department under this chapter not later than sixty (60) days after establishing a base in Indiana.

(c) Except as otherwise provided in this chapter, an Indiana resident who owns a homebuilt aircraft shall register the aircraft with the department not later than thirty-one (31) days after the date the Federal Aviation Administration has issued the certificate of registration and air worthiness certificate for the aircraft.

(d) Notwithstanding subsection (b), if a nonresident bases an aircraft in Indiana with a dealer or repair station solely for repairing, remodeling, or refurbishing the aircraft, neither the nonresident nor the dealer or repair station is required to register the aircraft with the department under this chapter. However, the dealer or repair station shall file a report with the department the month after the end of each calendar quarter. The report must list only:

(1) the name and address of the dealer or repair station;

(2) either:

(A) the dealer's certification number; or

(B) the repair station's certificate number; and

(3) the N number of each aircraft that was based in this state for more than sixty (60) days during the preceding quarter.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1980, P.L.74, SEC.19; P.L.93-1983, SEC.2; P.L.65-1997, SEC.5; P.L.97-1998, SEC.2; P.L.24-2007, SEC.3.

IC 6-6-6.5-3
Application for registration; fee

Sec. 3. (a) Any resident of this state who owns an aircraft, and any nonresident who has established a base in this state and bases an aircraft in this state for more than sixty (60) days, which is not exempt from registration under section 9 of this chapter, shall apply to the department for a certificate of registration for such aircraft. The application for such certificate of registration shall be made upon a form to be provided by the department and shall contain such information as the department may require.

(b) A fee of ten dollars ($10) shall be charged to file each application for a certificate of registration, and such fee must accompany such application.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1980, P.L.74, SEC.20; P.L.93-1983, SEC.3; P.L.65-1997, SEC.6.

IC 6-6-6.5-4
Certificate of registration; issuance

Sec. 4. The department shall file each application received and, upon determining that the aircraft is required to be registered, shall issue to the owner a certificate of registration together with such other evidence of registration as may be carried or affixed in or on the aircraft as the department may require. If for any reason such aircraft is not required to be registered, the department shall notify the owner within fifteen (15) days of that fact, together with the reasons therefor.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1980, P.L.74, SEC.21; P.L.93-1983, SEC.4.

IC 6-6-6.5-5
Duration of registration

Sec. 5. All registration of aircraft shall be valid for one (1) year and shall expire on the regular annual registration date following the year in which the registration is made.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.2; P.L.93-1983, SEC.5.

IC 6-6-6.5-6
Repealed

(Repealed by P.L.93-1983, SEC.13.)

IC 6-6-6.5-7
Lost or destroyed certificate of registration; duplicate; fee

Sec. 7. (a) In the event any certificate of registration is lost, mutilated, destroyed, or becomes illegible, the owner of the aircraft shall immediately make application for and may obtain a duplicate certificate upon such applicant providing the information required concerning such loss, mutilation, destruction, or illegibility satisfactory to the department. Upon the issuance of any duplicate certificate of registration, the previous certificate of registration last issued shall be void.

(b) A fee of ten dollars ($10) shall be charged for each duplicate certificate of registration issued by the department.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1980, P.L.74, SEC.23; P.L.100-1987, SEC.1; P.L.65-1997, SEC.7.

IC 6-6-6.5-8

Sale or transfer of aircraft; transfer of registration; fee; tax liability

Sec. 8. (a) In the event of the sale or transfer of ownership of an aircraft for which a certificate of registration has been issued by the department, the owner in whose name the aircraft is registered shall endorse on the back of the certificate of registration and deliver such certificate to the purchaser or transferee at the time of the sale or delivery to him of such aircraft and shall within thirty-one (31) days notify the department in the manner prescribed by the department of such sale or transfer.

(b) The purchaser or transferee of such aircraft, within thirty-one (31) days of such sale or transfer, shall apply to the department for the transfer of the registration of such aircraft to his name and the issuance of a new certificate of registration. The department shall file such application and, upon determining that the registration of such aircraft should be transferred, shall transfer the registration and issue a new certificate of registration. A fee of ten dollars ($10) shall be charged for such transfer of registration.

(c) When the sale or transfer of ownership occurs, the buyer or transferee shall ascertain from the department the amount of excise tax which the purchaser or transferee will be required to pay under section 15 of this chapter.

(d) A person shall pay the gross retail tax or use tax to the department on the earlier of:

(1) the time the aircraft is registered; or

(2) not later than thirty-one (31) days after the purchase date;

unless the person presents proof to the department that the gross retail tax or use tax has already been paid with respect to the purchase of the aircraft or proof that the taxes are inapplicable because of an exemption.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.3; Acts 1980, P.L.74, SEC.24; P.L.100-1987, SEC.2; P.L.65-1997, SEC.8; P.L.97-1998, SEC.3.

IC 6-6-6.5-9

Exemptions

Sec. 9. (a) The provisions of this chapter pertaining to registration

and taxation shall not apply to any of the following:

(1) An aircraft owned by and used exclusively in the service of:

(A) the United States government;

(B) a state (except Indiana), territory, or possession of the United States;

(C) the District of Columbia; or

(D) a political subdivision of an entity listed in clause (A), (B), or (C).

(2) An aircraft owned by a resident of another state and registered in accordance with the laws of that state. However, the aircraft shall not be exempt under this subdivision if a nonresident establishes a base for the aircraft inside this state and the base is used for a period of sixty (60) days or more.

(3) An aircraft which this state is prohibited from taxing under this chapter by the Constitution or the laws of the United States.

(4) An aircraft owned or operated by a person who is either an air carrier certificated under Federal Air Regulation Part 121 or a scheduled air taxi operator certified under Federal Air Regulation Part 135, unless such person is a corporation incorporated under the laws of the state of Indiana, an individual who is a resident of Indiana, or a corporation with Indiana corporate headquarters (as defined in IC 6-1.1-12.2-6).

(5) An aircraft which has been scrapped, dismantled, or destroyed, and for which the airworthiness certificate and federal certificate of registration have been surrendered to the Federal Aviation Administration by the owner.

(6) An aircraft owned by a resident of this state that is not a dealer and that is not based in this state at any time, if the owner files the required form not later than thirty-one (31) days after the date of purchase; and furnishes the department with evidence, satisfactory to the department, verifying where the aircraft is based during the year.

(7) An aircraft owned by a dealer for not more than five (5) days if the ownership is part of an ultimate sale or transfer of an aircraft that will not be based in this state at any time. However, the dealer described in this subdivision is required to file a report of the transaction within thirty-one (31) days after the ultimate sale or transfer of ownership of the aircraft. The report is not required to identify the seller or purchaser but must list the aircraft's origin, destination, N number, date of each transaction, and ultimate sales price.

(8) An aircraft owned by a registered nonprofit museum, if the owner furnishes the department with evidence satisfactory to the department not later than thirty-one (31) days after the purchase date. The aircraft must be reported for registration, but the department shall issue the registration without charge.

(b) The provisions of this chapter pertaining to taxation shall not apply to an aircraft owned by and used exclusively in the service of Indiana or a political subdivision of Indiana or any university or college supported in part by state funds. That aircraft must be

reported for registration, but the department will issue the registration without charge.
(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.4; Acts 1980, P.L.74, SEC.25; P.L.93-1983, SEC.6; P.L.65-1997, SEC.9; P.L.97-1998, SEC.4; P.L.224-2003, SEC.181; P.L.42-2011, SEC.17.

IC 6-6-6.5-10
Dealer certificate; necessity

Sec. 10. It is unlawful for any dealer to transact business inside this state unless the department has issued the dealer an aircraft dealer's certificate.
(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.5; Acts 1980, P.L.74, SEC.26; P.L.93-1983, SEC.7; P.L.65-1997, SEC.10.

IC 6-6-6.5-10.1
Dealer's certificate; issuance; fee; duration

Sec. 10.1. (a) An applicant must do all of the following before an aircraft dealer's certificate may be issued by the department:

(1) Be registered as a retail merchant with the department and submit proof of that registration to the department.
(2) Complete and submit the annual aircraft dealer application form provided by the department.
(3) Submit normal business records to prove that the applicant is a bona fide dealer.
(4) Submit a twenty-five dollar ($25) fee for the certificate. The fee may not be refunded if the certificate is denied.

(b) The initial certificate is valid for the calendar year of issuance or any remaining portion of the calendar year. However, an applicant applying in December may specifically indicate in the application that dealership status begins in the next calendar year.
As added by P.L.65-1997, SEC.11. Amended by P.L.97-1998, SEC.5.

IC 6-6-6.5-10.2
Dealer's certificate; renewal; revocation

Sec. 10.2. (a) In order to ensure continuous dealer status, a dealer must annually submit its application form and fee not later than December 15 of the preceding year.

(b) Upon receipt of a dealer's application form and fee, the department shall determine if the dealer is in good standing and then issue a renewal of the dealer's certificate before December 31 of the immediately preceding year. If the renewal is not issued before December 31, the dealer's certificate for the preceding year remains valid until renewed or revoked by the department.

(c) Dealers shall comply with all applicable gross retail and use tax statutes, rules, requirements, and procedures of the department.

(d) Failure to comply or failure to provide proof of compliance to the department may constitute cause for immediate revocation of the aircraft dealer's certificate. However, the dealer has one hundred

eighty (180) days after the date of the order to sell the dealer's inventory.
As added by P.L.65-1997, SEC.12. Amended by P.L.97-1998, SEC.6.

IC 6-6-6.5-10.3
Dealer's certificate; revocation or denial, notice, reinstatement, or certification upon proof of bona fide dealer status

Sec. 10.3. (a) If the department determines that an applicant or a dealer is not a bona fide dealer, the department shall revoke the certificate or a certificate may not be issued. The department shall, not later than ten (10) days after making a determination described in this subsection, notify the dealer by United States mail at the last known address of the dealer or applicant.

(b) On the date a certificate is revoked or renewal is denied:

(1) a sale occurs for the purposes of this chapter;
(2) dealer inventory status ends;
(3) all aircraft shall be registered under nondealer rules; and
(4) all applicable taxes and fees become due.

(c) If the applicant or dealer can offer sufficient proof of bona fide dealer status not later than fifteen (15) days after the date of the notification letter, dealer status may be retroactively reinstated and initial applicants may be certified at the department's discretion.
As added by P.L.65-1997, SEC.13.

IC 6-6-6.5-10.4
Sale or transfer of taxable aircraft; notice to department; disclosures to transferee

Sec. 10.4. (a) Not later than thirty-one (31) days after a sale or transfer of ownership of a taxable aircraft, the transferring owner shall notify the department of the sale or transfer.

(b) If the transferring owner is a dealer, the transferring owner shall notify the department by submitting to the department one (1) of the following:

(1) A copy of the applicable department form (ST108AC or, if an out-of-state exemption is claimed, ST-137).
(2) A written list containing all the information contained on form ST108AC, including the complete name and address of seller and purchaser, date of sale, make, model, year, and Federal Aviation Administration N number of the new aircraft, a description of any trade-in allowed, and delivery information. If an exemption is claimed, the purchaser's certificate of exemption, whether by submission of the ST-137 or by certified statement, shall also be submitted.

(c) The trade-in, if any, shall be described by the Federal Aviation Administration N number, serial number, make, model, year, and dollar value allowed.

(d) With regard to sales and transfers, dealers shall comply with all applicable gross retail and use tax statutes, rules, and procedures of the department, including the calculation of selling price and limitations on like-kind exchanges and requirements for proof of

exemption. Failure to comply or failure to provide proof of compliance to the department may be cause for immediate revocation of the dealer's certificate. However, the dealer has one hundred eighty (180) days to sell the dealer's inventory.

(e) In addition to the other disclosures required by this chapter, a dealer shall provide a transferee with an "Indiana application for aircraft registration or exemption" form.

As added by P.L.65-1997, SEC.14. Amended by P.L.97-1998, SEC.7.

IC 6-6-6.5-10.5

Sale or transfer of taxable aircraft; updating of dealer's inventory; transfer of excise tax liability

Sec. 10.5. Based upon the sales information submitted to the department, the department shall update the dealer's inventory and transfer the excise tax liability to the name of the new owner.

As added by P.L.65-1997, SEC.15.

IC 6-6-6.5-10.6

Use of inventory aircraft for other purpose

Sec. 10.6. (a) A dealer may not use inventory aircraft for any purpose other than for resale and demonstration flights unless the dealer charges the fair market rental or lease value and complies with all applicable statutes, rules, and procedures of the department.

(b) Failure to comply or failure to provide proof of compliance to the department may be cause for immediate revocation of the dealer's certificate. However, the dealer has one hundred eighty (180) days after the date of the order to sell the dealer's inventory.

(c) An aircraft used for other purposes shall no longer be considered aircraft inventory and shall be treated as property of a nondealer. The registration fee and all applicable taxes become due thirty-one (31) days after the date the improper use begins.

(d) An inventory aircraft held for more than eighteen (18) months is no longer considered aircraft inventory and is treated as property of a nondealer. The registration fee and all applicable taxes are due thirty-one (31) days after the date the eighteen (18) month period ends.

As added by P.L.65-1997, SEC.16. Amended by P.L.97-1998, SEC.8.

IC 6-6-6.5-10.7

Excise tax on inventory aircraft; assessment, reporting, remission of tax, penalties, and interest; aircraft held other than for inventory use

Sec. 10.7. (a) The aircraft excise tax shall be assessed on each inventory aircraft held by a dealer on the last day of February.

(b) Each year a dealer shall submit to the department:

(1) an update of the list of known aircraft in inventory, which the department may at its discretion supply; or

(2) a completed form 7695 for each inventory aircraft.

(c) The dealer shall compute the amount of aircraft excise tax due and remit the full amount along with any forms prescribed by the

department.

(d) For aircraft deleted from the inventory list, the dealer shall provide complete sale information and shall submit the applicable information if directed to by the department.

(e) A dealer who fails to file and remit the excise tax due for all inventory aircraft as required by the department is subject to the penalty and interest provision of this chapter for each inventory aircraft omitted.

(f) A dealer who holds aircraft for other than inventory use is subject to the nondealer provisions contained in this chapter regarding those specific aircraft.

As added by P.L.65-1997, SEC.17.

IC 6-6-6.5-11

Violations; offense

Sec. 11. A person who violates the disclosure requirements under section 8 of this chapter, the dealer reporting requirements under section 10 of this chapter, or any of the registration requirements of this chapter commits a Class A infraction.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.6.

IC 6-6-6.5-12

Annual license excise tax; taxpayer not exempt

Sec. 12. (a) Effective January 1, 1976, there is hereby imposed an annual license excise tax upon taxable aircraft, which tax shall be in lieu of the ad valorem property tax levied for state or local purposes. No taxable aircraft shall be assessed as personal property for the purpose of the assessment and levy of personal property or shall be subject to ad valorem taxes, beginning with taxes for the year of 1975 payable in 1976 and thereafter.

(b) Eligibility of aircraft for a deduction under IC 6-1.1-12.3 does not exempt a taxpayer from the tax imposed under this chapter on the aircraft.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by P.L.224-2003, SEC.280.

IC 6-6-6.5-13

Classification of aircraft; tax rate; credits

Sec. 13. (a) As the basis for measuring the tax imposed by this chapter, the department shall classify every taxable aircraft in its proper class according to the following classification plan:

CLASS	DESCRIPTION
A	Piston-driven
B	Piston-driven, and Pressurized
C	Turbine driven or other Powered
D	Homebuilt, Gliders, or Hot Air Balloons

(b) The tax imposed under this chapter is based on the age, class, and maximum landing weight of the taxable aircraft. The amount of tax imposed on the taxable aircraft is based on the following table:

Age	Class A	Class B	Class C	Class D
0-4	$.04/lb	$.065/lb	$.09/lb	$.0175/lb
5-8	$.035/lb	$.055/lb	$.08/lb	$.015/lb
9-12	$.03/lb	$.05/lb	$.07/lb	$.0125/lb
13-16	$.025/lb	$.025/lb	$.025/lb	$.01/lb
17-25	$.02/lb	$.02/lb	$.02/lb	$.0075/lb
over 25	$.01/lb	$.01/lb	$.01/lb	$.005/lb

(c) An aircraft owner, who sells an aircraft on which the owner has paid the tax imposed under this chapter, is entitled to a credit for the tax paid. The credit equals excise tax paid on the aircraft that was sold, times the lesser of:

(1) ninety percent (90%); or

(2) ten percent (10%) times the number of months remaining in the registration year after the sale of the aircraft.

The credit may only be used to reduce the tax imposed under this chapter on another aircraft purchased by that owner during the registration year in which the credit accrues. A person may not receive a refund for a credit under this subsection.

(d) A person who is entitled to a property tax deduction under IC 6-1.1-12-13 or IC 6-1.1-12-14 is entitled to a credit against the tax imposed on the person's aircraft under this chapter. The credit equals the amount of the property tax deduction to which the person is entitled under IC 6-1.1-12-13 and IC 6-1.1-12-14, minus the amount of that deduction used to offset the person's property taxes or vehicle excise taxes, times seven hundredths (.07). The credit may not exceed the amount of the tax due under this chapter. The county auditor shall, upon the person's request, furnish a certified statement showing the credit allowable under this subsection. The department may not allow a credit under this subsection until the auditor's statement has been filed in the department's office.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.7; Acts 1980, P.L.74, SEC.27; P.L.93-1983, SEC.8; P.L.1-2009, SEC.55.

IC 6-6-6.5-14

Payment of tax

Sec. 14. (a) A person required to register his aircraft and to pay the tax imposed under this chapter, shall do so on or before the regular annual registration date.

(b) The payment of the tax imposed by this chapter shall be a condition to the right to register the taxable aircraft and shall be in addition to all other conditions prescribed by law.

(c) When a taxpayer makes a partial payment on the taxpayer's tax liability, the department shall apply the partial payment in the following order:

(1) To any registration or transfer fee owed by the taxpayer.

(2) To any late penalty and interest on the late registration or

excise tax owed by the taxpayer.

(3) To any excise tax owed by the taxpayer.

(4) To any late penalty and interest on gross retail or use tax owed by the taxpayer.

(5) To any gross retail or use tax owed by the taxpayer.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.8; P.L.93-1983, SEC.9; P.L.65-1997, SEC.18.

IC 6-6-6.5-15

Aircraft subject to tax after regular annual registration date; reduction of tax

Sec. 15. (a) If a taxable aircraft becomes subject to registration or taxation after the regular annual registration date in a year, the tax imposed by this chapter shall become due and payable at the time the aircraft becomes subject to registration and the amount of tax to be paid by the owner for the remainder of the year shall be reduced by the lesser of (1) ninety percent (90%) of the tax or (2) ten percent (10%) of the tax for each full calendar month which has elapsed since the regular annual registration date in that year.

(b) The tax reduction under this section shall not apply to persons who claim a tax credit under section 13(c) of this chapter.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.9; P.L.65-1997, SEC.19; P.L.1-2009, SEC.56.

IC 6-6-6.5-16

Forms for registration

Sec. 16. The department shall include on all registration forms for taxable aircraft for the year 1976 and subsequent years suitable spaces for the amount of the registration fee, the amount of tax, and the total amount of payment due. The forms shall also include spaces for showing the county and the taxing district in which the aircraft is usually located when not in operation.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1980, P.L.74, SEC.28.

IC 6-6-6.5-17

Powers of department

Sec. 17. The department may establish procedures, prepare forms and adopt rules and regulations necessary for the administration of this chapter and the collection of the tax imposed by this chapter and for the proper accounting for the same.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1982, P.L.62, SEC.1.

IC 6-6-6.5-18

Registration without payment of tax; offenses

Sec. 18. An owner of a taxable aircraft who registers that aircraft without paying the tax required by this chapter commits a Class A infraction; and any employee of the department who issues a certificate of registration for that aircraft without collecting the tax

required to be collected with the registration commits a Class A infraction.
(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.10; Acts 1978, P.L.2, SEC.643; Acts 1980, P.L.74, SEC.29.

IC 6-6-6.5-19
Penalties; failure to register, report, or pay tax due

Sec. 19. (a) The registration of any taxable aircraft without payment of the tax imposed by this chapter shall be void, and the department shall take possession of the certificate of registration and other evidences of registration, until the owner shall have paid the tax together with any penalties assessed by the department.

(b) If an owner does not register his aircraft and pay the tax imposed by this chapter when required, the owner is subject to a penalty and interest on the unpaid tax. The penalty is the greater of twenty dollars ($20) or twenty percent (20%) of the unpaid tax. The interest applies at the rate established in IC 6-8.1-10-1. The penalty and interest apply from the date the tax becomes delinquent until the aircraft is registered and the tax paid.

(c) If an airport owner does not report the aircraft based at his airport when required by section 23 of this chapter, the department may assess a penalty equal to ten dollars ($10) for each day that the report is late.

(d) If an owner does not register the owner's aircraft and pay the gross retail or use tax when required by this chapter, the owner shall be subject to the penalties and interest on the unpaid gross retail or use tax that are established in IC 6-8.1-10.
(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.87, SEC.11; Acts 1980, P.L.74, SEC.30; P.L.93-1983, SEC.10; P.L.383-1987(ss), SEC.1; P.L.65-1997, SEC.20; P.L.254-2003, SEC.8.

IC 6-6-6.5-20
Taxpayer owning more than one aircraft; consolidation of collection

Sec. 20. In the administration and collection of the tax imposed by this chapter, the department may coordinate and consolidate the collection of such tax from each taxpayer as imposed on all aircraft owned by such taxpayer in accordance with such procedures as the department shall deem reasonable and feasible, including, but not limited to, the revocation of all certificates of registration of aircraft by an owner if such owner shall willfully fail and refuse to pay any tax imposed by this chapter.
(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1980, P.L.74, SEC.31.

IC 6-6-6.5-21
Allocation and distribution of tax revenue; aircraft excise tax fund; duties of county treasurer; state welfare and tuition support allocation amount

Sec. 21. (a) The department shall allocate each aircraft excise tax payment collected by it to the county in which the aircraft is usually located when not in operation or to the aircraft owner's county of residence if based out of state. The department shall distribute to each county treasurer on a quarterly basis the aircraft excise taxes which were collected by the department during the preceding three (3) months and which the department has allocated to that county. The distribution shall be made on or before the fifteenth of the month following each quarter and the first distribution each year shall be made in April.

(b) Concurrently with making a distribution of aircraft excise taxes, the department shall send an aircraft excise tax report to the county treasurer and the county auditor. The department shall prepare the report on the form prescribed by the state board of accounts. The aircraft excise tax report must include aircraft identification, owner information, and excise tax payment, and must indicate the county where the aircraft is normally kept when not in operation. The department shall, in the manner prescribed by the state board of accounts, maintain records concerning the aircraft excise taxes received and distributed by it.

(c) Except as provided in section 21.5 of this chapter, each county treasurer shall deposit money received by the treasurer under this chapter in a separate fund to be known as the "aircraft excise tax fund". The money in the aircraft excise tax fund shall be distributed to the taxing units of the county in the manner prescribed in subsection (d).

(d) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. In order to distribute the money in the county aircraft excise tax fund to the taxing units of the county, the county auditor shall first allocate the money in the fund among the taxing districts of the county. In making these allocations, the county auditor shall allocate to a taxing district the excise taxes collected with respect to aircraft usually located in the taxing district when not in operation. Subject to this subsection, the money allocated to a taxing district shall be apportioned and distributed among the taxing units of that taxing district in the same manner and at the same time that the property taxes are apportioned and distributed (subject to adjustment as provided in IC 36-8-19-7.5). For purposes of determining the distribution for a year under this section for a taxing unit, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result

determined under STEP THREE of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the sum of the STEP ONE and STEP TWO amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE or STEP TWO, the auditor of state shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts. If a new taxing district is established after the years for which a ratio is calculated

under STEP ONE, STEP TWO, or STEP THREE, the auditor of state shall establish a ratio for the new taxing district and adjust the ratio for other taxing districts in the county.

(e) Within thirty (30) days following the receipt of excise taxes from the department, the county treasurer shall file a report with the county auditor concerning the aircraft excise taxes collected by the county treasurer. The county treasurer shall file the report on the form prescribed by the state board of accounts. The county treasurer shall, in the manner and at the times prescribed in IC 6-1.1-27, make a settlement with the county auditor for the aircraft excise taxes collected by the county treasurer. The county treasurer shall, in the manner prescribed by the state board of accounts, maintain records concerning the aircraft excise taxes received and distributed by the treasurer.

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by Acts 1977, P.L.88, SEC.1; Acts 1980, P.L.74, SEC.32; P.L.93-1983, SEC.11; P.L.65-1997, SEC.21; P.L.146-2008, SEC.355; P.L.182-2009(ss), SEC.242; P.L.261-2013, SEC.35.

IC 6-6-6.5-21.5

Allen County treasurer to distribute funds; report

Sec. 21.5. (a) The Allen County treasurer shall distribute the funds received under section 21 of this chapter to the airport authority established under IC 8-22-3-1.1 that operates an airport in the county. The treasurer shall make the distribution before the fifth day of the month after the month in which the treasurer receives the funds.

(b) Nothing in this section relieves the county treasurer of the treasurer's duty to report under section 21(e) of this chapter.

As added by Acts 1977, P.L.88, SEC.2. Amended by Acts 1981, P.L.11, SEC.35; P.L.101-1987, SEC.1; P.L.12-1992, SEC.30; P.L.13-2013, SEC.26.

IC 6-6-6.5-22

Equivalence to average property tax rate; effect on constitutional debt limit; determination of assessed valuation

Sec. 22. The excise tax imposed by this chapter is hereby determined to be equivalent to an average property tax rate of three dollars ($3) on each one hundred dollars ($100) taxable value. For the purpose of limitations on indebtedness of political or municipal corporations imposed by Article 13, Section 1 of the Indiana Constitution, aircraft subject to tax under this chapter shall be deemed to be taxable property within each such political or municipal corporation where the aircraft is based as shown on the records of the department. The assessed valuation of such aircraft shall be determined by multiplying the amount of the tax by one hundred (100) and dividing such result by nine dollars ($9).

(Formerly: Acts 1975, P.L.68, SEC.1.) As amended by P.L.93-1983, SEC.12; P.L.6-1997, SEC.129.

IC 6-6-6.5-23

Reports of airport owners; civil penalty

Sec. 23. (a) The department shall require the owner of an airport or any person or persons leasing or subleasing space from an airport owner for the purpose of storing, renting, or selling aircraft to submit reports to the department listing the aircraft based at that airport. The reports shall identify the aircraft by Federal Aviation Administration number.

(b) An airport owner or any other person required to submit a report under subsection (a) is subject to a civil penalty of one hundred dollars ($100) for each aircraft that should have been and was not properly included on the report.

As added by Acts 1977, P.L.87, SEC.12. Amended by Acts 1980, P.L.74, SEC.33; Acts 1982, P.L.62, SEC.2; P.L.182-2009(ss), SEC.243.

IC 6-6-6.5-24

Repealed

(Repealed by P.L.93-1983, SEC.13.)

IC 6-6-6.5-25

Aircraft brought into Indiana; registration without payment of use tax

Sec. 25. An aircraft may be registered under this chapter without the payment of the state use tax under IC 6-2.5-3 if:

(1) the aircraft was registered in another state as of January 1, 2010, and any sales or use tax due in the registration state was paid and ownership of the aircraft has not changed after December 31, 2009;

(2) there is no outstanding tax liability in the registration state that directly relates to the aircraft; and

(3) an application for the registration of the aircraft under this chapter is filed after June 30, 2010, and before September 30, 2010, and the registration fee under section 3 of this chapter and the aircraft excise tax under section 13 of this chapter are paid.

As added by P.L.113-2010, SEC.68.

IC 6-6-6.6
Repealed

(Repealed by P.L.220-2014, SEC.1.)

IC 6-6-7

Chapter 7. Repealed

(Repealed, as added by P.L.59-1985, SEC.21, and as added by P.L.79-1985, SEC.1, by P.L.19-1986, SEC.16.)

IC 6-6-8
Repealed

(Repealed by P.L.69-1991, SEC.33.)

IC 6-6-9

Chapter 9. Auto Rental Excise Tax

IC 6-6-9-1

"Department" defined

Sec. 1. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.19-1986, SEC.18.

IC 6-6-9-2

"Gross retail income" defined

Sec. 2. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5, except that the term does not include taxes imposed under IC 6-2.5.

As added by P.L.19-1986, SEC.18.

IC 6-6-9-3

"Passenger motor vehicle" defined

Sec. 3. As used in this chapter, "passenger motor vehicle" has the meaning set forth in IC 9-13-2-123.

As added by P.L.19-1986, SEC.18. Amended by P.L.2-1991, SEC.47; P.L.214-2007, SEC.2.

IC 6-6-9-4

"Person" defined

Sec. 4. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.

As added by P.L.19-1986, SEC.18.

IC 6-6-9-5

"Retail merchant" defined

Sec. 5. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.

As added by P.L.19-1986, SEC.18.

IC 6-6-9-6

"Truck" defined

Sec. 6. As used in this chapter, "truck" has the meaning set forth in IC 9-13-2-188(a).

As added by P.L.19-1986, SEC.18. Amended by P.L.2-1991, SEC.48.

IC 6-6-9-7

Imposition of tax; amount

Sec. 7. (a) An excise tax, known as the auto rental excise tax, is imposed upon the rental of passenger motor vehicles and trucks in Indiana for periods of less than thirty (30) days.

(b) The auto rental excise tax imposed upon the rental of a passenger motor vehicle or truck equals four percent (4%) of the gross retail income received by the retail merchant for the rental.

As added by P.L.19-1986, SEC.18.

IC 6-6-9-8
Exemption of certain trucks

Sec. 8. (a) The rental of a truck is exempt from the auto rental excise tax if the declared gross weight of the truck being rented exceeds eleven thousand (11,000) pounds.

(b) The rental of a passenger motor vehicle or truck by a funeral director licensed under IC 25-15 is exempt from the auto rental excise tax if the rental is part of the services provided by the director for a funeral.

As added by P.L.19-1986, SEC.18. Amended by P.L.24-1986, SEC.32.

IC 6-6-9-9
Liability for tax

Sec. 9. The person who rents a passenger motor vehicle or truck is liable for the auto rental excise tax. The person shall pay the tax to the retail merchant as a separate amount added to the consideration for the rental. The retail merchant shall collect the tax as an agent for the state.

As added by P.L.19-1986, SEC.18.

IC 6-6-9-10
Manner of imposition, payment, and collection; filing of returns

Sec. 10. (a) Except as otherwise provided in this section, the auto rental excise tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(b) Each retail merchant filing a return for the auto rental excise tax shall indicate in the return:

(1) all locations in Indiana where the retail merchant collected auto rental excise taxes; and

(2) the amount of auto rental excise taxes collected at each location.

(c) The return to be filed for the payment of the auto rental excise tax may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.19-1986, SEC.18.

IC 6-6-9-11
Revenues; deposit; auto rental excise tax account; distribution of funds to county treasurers; distribution among taxing units of counties; warrants

Sec. 11. (a) All revenues collected from the auto rental excise tax shall be deposited in a special account of the state general fund called the auto rental excise tax account.

(b) On or before May 20 and November 20 of each year, all amounts held in the auto rental excise tax account shall be distributed to the county treasurers of Indiana.

(c) The amount to be distributed to a county treasurer equals that

part of the total auto rental excise taxes being distributed that were initially imposed and collected from within that treasurer's county. The department shall notify each county auditor of the amount of taxes to be distributed to the county treasurer. At the same time each distribution is made to a county treasurer, the department shall certify to the county auditor each taxing district within the county where auto rental excise taxes were collected and the amount of the county distribution that was collected with respect to each taxing district.

(d) The county treasurer shall deposit auto rental excise tax collections into a separate account for settlement at the same time as property taxes are accounted for and settled in June and December of each year.

(e) The county auditor shall apportion and the county treasurer shall distribute the auto rental excise taxes among the taxing units of the county in the same manner that property taxes are apportioned and distributed with respect to property located in the taxing district where the auto rental excise tax was initially imposed and collected. The auto rental excise taxes distributed to a taxing unit shall be allocated among the taxing unit's funds in the same proportions that the taxing unit's property tax collections are allocated among those funds.

(f) Taxing units of a county may request and receive advances of auto rental excise tax revenues in the manner provided under IC 5-13-6-3.

(g) All distributions from the auto rental excise tax account shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the appropriate county treasurer.

As added by P.L.19-1986, SEC.18. Amended by P.L.19-1987, SEC.19.

IC 6-6-9.5

Chapter 9.5. Vanderburgh County Supplemental Auto Rental Excise Tax

IC 6-6-9.5-1

Application of chapter

Sec. 1. This chapter applies to Vanderburgh County.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-2

"Department"

Sec. 2. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-3

"Gross retail income"

Sec. 3. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-4

"Passenger motor vehicle"

Sec. 4. As used in this chapter, "passenger motor vehicle" has the meaning set forth in IC 9-13-2-123.

As added by P.L.214-2005, SEC.22. Amended by P.L.214-2007, SEC.3.

IC 6-6-9.5-5

"Person"

Sec. 5. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-6

"Retail merchant"

Sec. 6. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-7

Imposition of tax; ordinance; rate; notices

Sec. 7. (a) The legislative body of the most populous city in the county may adopt an ordinance to impose an excise tax, known as the county supplemental auto rental excise tax, upon the rental of passenger motor vehicles in the county for periods of less than thirty (30) days. The ordinance must specify that the tax expires December 31, 2036.

(b) The county supplemental auto rental excise tax that may be imposed upon the rental of a passenger motor vehicle is two percent

(2%) of the gross retail income received by the retail merchant for the rental.

(c) If the city legislative body adopts an ordinance under subsection (a), the city legislative body shall immediately send a certified copy of the ordinance to the commissioner of the department.

(d) If the city legislative body adopts an ordinance under subsection (a) before June 1 of a year, the county supplemental auto rental excise tax applies to auto rentals after June 30 of the year in which the ordinance is adopted. If the city legislative body adopts an ordinance under subsection (a) on or after June 1 of a year, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month in which the ordinance is adopted.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-8

Exemptions

Sec. 8. (a) The rental of a passenger motor vehicle by a funeral director licensed under IC 25-15 is exempt from the county supplemental auto rental excise tax if the rental is part of the services provided by the funeral director for a funeral.

(b) The temporary rental of a passenger motor vehicle is exempt from the county supplemental auto rental excise tax if the rental is:

(1) made or reimbursed under a contract or agreement:

(A) between a provider and a person;

(B) given for consideration over and above the lease or purchase price of a motor vehicle; and

(C) that undertakes to perform or provide repair or replacement service, or indemnification for that service, for the operational or structural failure of a motor vehicle due to a defect in materials or skill of work or normal wear and tear;

(2) made or reimbursed under a contract for mechanical breakdown insurance;

(3) made or reimbursed under a contract for automobile collision insurance or automobile comprehensive insurance that covers the temporary lease of a vehicle to a person after the person's vehicle is damaged or destroyed in a collision; or

(4) otherwise provided to a person as a replacement vehicle:

(A) while the person's vehicle is repaired or serviced due to a defect in materials or skill of work, normal wear and tear, or other damage; or

(B) until the person permanently replaces a vehicle that has been destroyed.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-9

Liability for tax; collection

Sec. 9. A person that rents a passenger motor vehicle is liable for the county supplemental auto rental excise tax. The person shall pay the tax to the retail merchant as a separate amount added to the

consideration for the rental. The retail merchant shall collect the tax as an agent for the state.
As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-10
Imposition; payment; collection; returns

Sec. 10. (a) Except as otherwise provided in this section, the county supplemental auto rental excise tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(b) Each retail merchant filing a return for the county supplemental auto rental excise tax shall indicate in the return:

(1) all locations in the county where the retail merchant collected county supplemental auto rental excise taxes; and

(2) the amount of county supplemental auto rental excise taxes collected at each location.

(c) The return to be filed for the payment of the county supplemental auto rental excise tax may be:

(1) a separate return;

(2) combined with the return filed for the payment of the auto rental excise tax under IC 6-6-9; or

(3) combined with the return filed for the payment of the state gross retail tax;

as prescribed by the department.
As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-11
Distribution

Sec. 11. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the fiscal officer of the most populous city in the county upon warrants issued by the auditor of state.
As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-12
Supplemental auto rental excise tax fund; uses

Sec. 12. (a) If a tax is imposed under section 7 of this chapter, the fiscal officer of the most populous city in the county shall establish a supplemental auto rental excise tax fund.

(b) The city fiscal officer shall deposit in the supplemental auto rental excise tax fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the supplemental auto rental excise tax fund becomes a part of the fund.

(d) Money in the supplemental auto rental excise tax fund shall be used by the city legislative body for capital improvements in the city that promote conventions, tourism, or recreation.
As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-13
Expiration

Sec. 13. This chapter expires January 1, 2036.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.7

Chapter 9.7. Marion County Supplemental Auto Rental Excise Tax

IC 6-6-9.7-1

"Department" defined

Sec. 1. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-2

"Gross retail income" defined

Sec. 2. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5, except that the term does not include taxes imposed under IC 6-2.5.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-3

"Passenger motor vehicle" defined

Sec. 3. As used in this chapter, "passenger motor vehicle" has the meaning set forth in IC 9-13-2-123.

As added by P.L.256-1997(ss), SEC.1. Amended by P.L.214-2007, SEC.4.

IC 6-6-9.7-4

"Person" defined

Sec. 4. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-5

"Retail merchant" defined

Sec. 5. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-6

"Truck" defined

Sec. 6. As used in this chapter, "truck" has the meaning set forth in IC 9-13-2-188(a).

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-7

Imposition of tax; amount; notice to department of state revenue; effective dates

Sec. 7. (a) The city-county council of a county that contains a consolidated city may adopt an ordinance to impose an excise tax, known as the county supplemental auto rental excise tax, upon the rental of passenger motor vehicles and trucks in the county for periods of less than thirty (30) days. The ordinance must specify that

the tax expires December 31, 2027.

(b) Except as provided in subsection (c), the county supplemental auto rental excise tax that may be imposed upon the rental of a passenger motor vehicle or truck equals two percent (2%) of the gross retail income received by the retail merchant for the rental.

(c) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the tax imposed under subsection (a) from two percent (2%) to four percent (4%). The ordinance must specify that:

(1) if on December 31, 2027, there are obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the original two percent (2%) rate imposed under subsection (a) continues to be levied after its original expiration date set forth in subsection (a) and through December 31, 2040; and

(2) the additional rate authorized under this subsection expires on:

(A) January 1, 2041;

(B) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under IC 5-1-17-26; or

(C) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.

(d) The amount collected from that portion of county supplemental auto rental excise tax imposed under:

(1) subsection (b) and collected after December 31, 2027; and

(2) under subsection (c);

shall, in the manner provided by section 11 of this chapter, be distributed to the capital improvement board of managers operating in a consolidated city or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

(e) After January 1, 2013, and before March 1, 2013, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the tax rate imposed under subsection (a) by not more than two percent (2%).

The amount collected from an increase adopted under this subsection shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16. An increase in the tax rate under this subsection continues in effect unless the increase is rescinded. However, any increase in the tax rate under this subsection may not continue in effect after February 28, 2023.

(f) If a city-county council adopts an ordinance under subsection (a), (c), or (e), the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(g) If a city-county council adopts an ordinance under subsection (a), (c), or (e) on or before the fifteenth day of a month, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a), (c), or (e) after the fifteenth day of a month, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month following the month in which the ordinance is adopted.

As added by P.L.256-1997(ss), SEC.1. Amended by P.L.214-2005, SEC.23; P.L.182-2009(ss), SEC.244; P.L.205-2013, SEC.127.

IC 6-6-9.7-8
Exemptions

Sec. 8. (a) The rental of a truck is exempt from the county supplemental auto rental excise tax if the declared gross weight of the rented truck exceeds eleven thousand (11,000) pounds.

(b) The rental of a passenger motor vehicle or truck by a funeral director licensed under IC 25-15 is exempt from the county supplemental auto rental excise tax if the rental is part of the services provided by the director for a funeral.

(c) The temporary rental of a passenger motor vehicle or truck is exempt from the county supplemental auto rental excise tax if the rental is:

(1) made or reimbursed under a contract or agreement between a provider and person given for consideration over and above the lease or purchase price of a motor vehicle that undertakes to perform or provide repair or replacement service, or indemnification for that service, for the operational or structural failure of a motor vehicle due to a defect in materials or skill of work or normal wear and tear;

(2) made or reimbursed under a contract for mechanical breakdown insurance;

(3) made or reimbursed under a contract for automobile collision insurance or automobile comprehensive insurance that covers the temporary lease of a vehicle to the person after the person's vehicle is damaged or destroyed in a collision; or

(4) otherwise provided to a person as a replacement vehicle:

(A) while the person's vehicle is repaired or serviced due to a defect in materials or skill of work, normal wear and tear, or other damage; or

(B) until the person permanently replaces a vehicle that has been destroyed.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-9

Liability for tax

Sec. 9. The person that rents a passenger motor vehicle or truck is liable for the county supplemental auto rental excise tax. The person shall pay the tax to the retail merchant as a separate amount added to the consideration for the rental. The retail merchant shall collect the tax as an agent for the state.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-10

Manner of imposition, payment, and collection; filing of returns

Sec. 10. (a) Except as otherwise provided in this section, the county supplemental auto rental excise tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(b) Each retail merchant filing a return for the auto rental excise tax shall indicate in the return:

(1) all locations in the county containing a consolidated city where the retail merchant collected county supplemental auto rental excise taxes; and

(2) the amount of auto rental excise taxes collected at each location.

(c) The return to be filed for the payment of the county supplemental auto rental excise tax may be a separate return, combined with the return filed for the payment of the auto rental excise tax under IC 6-6-9, or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department.

As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-11

Auto rental excise tax account; distributions

Sec. 11. (a) All revenues collected from the county supplemental auto rental excise tax shall be deposited in a special account of the state general fund called the county supplemental auto rental excise tax account.

(b) On or before the twentieth day of each month, all amounts held in the county supplemental auto rental excise tax account shall be distributed to the capital improvement board of managers operating in a consolidated city.

(c) The amount to be distributed to the capital improvement board of managers operating in a consolidated city equals the total county supplemental auto rental excise taxes that were initially imposed and collected from within the county in which the consolidated city is located. The department shall notify the county auditor of the amount of taxes to be distributed to the board.

(d) All distributions from the county supplemental auto rental excise tax account shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the capital improvement board of managers operating in a consolidated city.
As added by P.L.256-1997(ss), SEC.1.

IC 6-6-9.7-12
Expiration

Sec. 12. This chapter expires January 1, 2041.
As added by P.L.256-1997(ss), SEC.1. Amended by P.L.214-2005, SEC.24.

IC 6-6-10

Chapter 10. Local Emergency Planning and Right to Know Fund

IC 6-6-10-1

"SARA" defined

Sec. 1. As used in this chapter, "SARA" refers to the Superfund Amendments and Reauthorization Act of 1986 (P.L.99-499).

As added by P.L.70-1988, SEC.1.

IC 6-6-10-2

"Emergency and hazardous chemical inventory form" defined

Sec. 2. As used in this chapter, "emergency and hazardous chemical inventory form" has the meaning set forth in 42 U.S.C. 11022.

As added by P.L.70-1988, SEC.1.

IC 6-6-10-2.2

"Emergency response commission" defined

Sec. 2.2. As used in this chapter, "emergency response commission" refers to the state emergency response commission appointed by the governor in compliance with 42 U.S.C. 11001(a).

As added by P.L.61-1990, SEC.1.

IC 6-6-10-3

"Facility" defined

Sec. 3. As used in this chapter, "facility" has the meaning set forth in 42 U.S.C. 11049(4).

As added by P.L.70-1988, SEC.1.

IC 6-6-10-4

"Hazardous chemical" defined

Sec. 4. As used in this chapter, "hazardous chemical" has the meaning set forth in 42 U.S.C. 11022(c).

As added by P.L.70-1988, SEC.1.

IC 6-6-10-4.2

"Local emergency planning committee" defined

Sec. 4.2. As used in this chapter, "local emergency planning committee" refers to a local emergency planning committee of a county appointed by the emergency response commission in compliance with 42 U.S.C. 11001(a).

As added by P.L.61-1990, SEC.2.

IC 6-6-10-5

Establishment of fund

Sec. 5. The local emergency planning and right to know fund is established for the purpose of providing each county with funds to help implement Title III of SARA (42 U.S.C. 11001 et seq.). The department of state revenue shall administer the fund. The fund

consists of:

(1) revenue produced by the fee imposed under section 6 of this chapter; and

(2) accrued interest and other investment earnings of the fund.

As added by P.L.70-1988, SEC.1.

IC 6-6-10-6

Fees

Sec. 6. (a) Each year a fee is imposed on a facility that must submit an emergency and hazardous chemical inventory form. The amount of the fee is as follows:

(1) For a facility in which at least one million (1,000,000) pounds of any hazardous chemical was present at one (1) time during the year preceding the year in which the fee is imposed, a fee of two hundred dollars ($200).

(2) For a facility in which, in the year preceding the year in which the fee is imposed, one (1) or more hazardous chemicals were present in amounts exceeding the threshold quantities established under 42 U.S.C. 11022(b), but the total amount of any hazardous chemical present did not at any one (1) time equal or exceed one million (1,000,000) pounds, a fee of one hundred dollars ($100).

(3) For a facility that contains underground storage tanks (as defined in IC 13-11-2-241) and was subject to the reporting requirement in 42 U.S.C. 6991a(a), but in which, in the year preceding the year in which the fee is imposed, no hazardous chemicals were present in amounts exceeding the threshold quantities established under 42 U.S.C. 11022(b), (other than substances stored in underground storage tanks that must be reported under 42 U.S.C. 6991a(a)), a fee of fifty dollars ($50).

(b) A facility subject to the fee imposed by this section shall file annual returns with the department of state revenue in a manner and at a time provided by the department of state revenue.

As added by P.L.70-1988, SEC.1. Amended by P.L.61-1990, SEC.3; P.L.1-1996, SEC.54.

IC 6-6-10-7

Distribution, purpose, and administration of fund

Sec. 7. (a) Before July 1 of each year, the department of state revenue shall distribute the money in the emergency planning and right to know fund as follows:

(1) Ten percent (10%) allocated to the emergency response commission and administered by the department of homeland security to be used to enhance communication among local emergency planning committees and between local emergency planning committees and the emergency response commission in order to strengthen joint hazardous material incident response capabilities. Money received as an allocation under this subdivision does not revert to the state general fund at the end of a state fiscal year.

(2) The distribution to the hazardous substance response fund established by IC 13-25-4-1 that is authorized for the year by the general assembly.

(3) A distribution of the remaining money as follows:

(A) To each county, two thousand five hundred dollars ($2,500).

(B) To each county, an additional distribution in an amount determined in STEP TWO of the following formula:

STEP ONE: Divide the amount available for distribution by the number of annual returns filed under section 6(b) of this chapter in the calendar year preceding the distribution.

STEP TWO: Multiply the quotient determined in STEP ONE by the number of facilities located in each county.

The department of state revenue may make a distribution to a county under this subdivision only after receiving notice from the emergency response commission that the local emergency planning committee for the county has met the requirements of IC 13-25-1-6(b).

(b) The revenue distributed to the county under this section shall be deposited in a separate fund established by the county for the purpose of:

(1) preparing and updating a comprehensive emergency response plan required under 42 U.S.C. 11003 for the county or emergency planning district;

(2) establishing and implementing procedures for receiving and processing requests from the public for information about hazardous chemicals under Title III of SARA (42 U.S.C. 11001 et seq.);

(3) training for emergency response planning, information management, and hazardous materials incident response;

(4) equipping a hazardous materials response team that provides at least a district wide emergency planning response if the equipment purchased is consistent with current training levels of the response team members;

(5) purchasing communication equipment for a local emergency planning committee's administrative use;

(6) paying an optional stipend to local emergency planning committee members who attend regularly scheduled meetings at which a quorum is present in an amount:

(A) determined by a majority of the local emergency planning committee membership; and

(B) that is not more than twenty dollars ($20) per member per meeting;

(7) paying for Title III risk communication, chemical accident related, and accident prevention projects submitted to and approved by the Indiana emergency response commission; and

(8) maintaining, repairing, and calibrating equipment purchased for a hazardous materials response team under subdivision (4).

However, revenue distributed to a county under this section may be used for the purpose set forth in subdivisions (3) through (8) only if

the local emergency planning committee appointed for the county has prepared and submitted to the emergency response commission an emergency plan that meets the requirements of 42 U.S.C. 11003(a) and has received approval for the training programs from the emergency response commission.

(c) The fund established under subsection (b) shall be administered by the county executive. The expenses of administering the fund shall be paid from money in the fund. Money in the fund not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of the fiscal year remains in the fund and does not revert to any other fund.

(d) Money shall be appropriated by a county fiscal body (as defined in IC 36-1-2-6) from a fund established under subsection (b) upon the receipt by the county fiscal body of the local emergency planning committee's spending plan. The spending plan must:

(1) have been approved by a majority of the members of the local emergency planning committee; and

(2) conform with the provisions of this chapter.

The county fiscal body may not appropriate money from the fund established under subsection (b) for any person or purpose other than the local emergency planning committee.

(e) All equipment, apparatus, and supplies purchased with money from a fund established under subsection (b) remains under the direction and control of the local emergency planning committee.

As added by P.L.70-1988, SEC.1. Amended by P.L.61-1990, SEC.4; P.L.101-1995, SEC.1; P.L.1-1996, SEC.55; P.L.63-1996, SEC.1; P.L.66-1997, SEC.1; P.L.1-2006, SEC.146; P.L.57-2008, SEC.1.

IC 6-6-10-8

Local emergency planning committees; reports

Sec. 8. Each year, a local emergency planning committee shall submit to the emergency response commission a report that describes the expenditures of the local emergency planning committee in the preceding year that were paid for with money distributed under section 7 of this chapter.

As added by P.L.61-1990, SEC.5. Amended by P.L.101-1995, SEC.2.

IC 6-6-10-9

Commission's right to withhold funds

Sec. 9. (a) The emergency response commission may withhold a local emergency planning committee's funding for failure to provide annually to the commission one (1) of the following:

(1) The report required under section 8 of this chapter.

(2) Proof of published legal notice required under SARA.

(3) An updated version of the local emergency planning committee's emergency preparedness plan as required under SARA.

(4) A copy of the current bylaws of the local emergency

planning committee as required by SARA.

(5) Evidence of an exercise of the response plan required under SARA.

(6) A roster of the current membership of the local emergency planning committee as required under IC 13-25-1-6(b)(2).

(7) Minutes of the local emergency planning committee meetings conducted at least two (2) times, on separate days, every six (6) months as required under IC 13-25-1-6(b)(3).

(8) Proof that each committee member is properly trained in the code of ethics as required under IC 4-2-7-3(7).

(b) If the commission withholds funding under subsection (a), and notwithstanding section 7(a)(1) of this chapter, the commission may use the balance of the withheld funding for purposes of hazardous material training, mitigation, preparedness, and recovery.

As added by P.L.101-1995, SEC.3. Amended by P.L.1-1996, SEC.56; P.L.92-2001, SEC.1; P.L.45-2012, SEC.1; P.L.78-2013, SEC.1.

IC 6-6-11

Chapter 11. Boat Excise Tax

IC 6-6-11-1

"Boat" defined

Sec. 1. As used in this chapter, "boat" means any device in which a person may be transported upon water and includes every motorboat, sailboat, pontoon boat, rowboat, skiff, dinghy, or canoe, regardless of size.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-2

"Boating equipment" defined

Sec. 2. As used in this chapter, "boating equipment" means motors used in connection with a boat.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-3

"Boating year" defined

Sec. 3. As used in this chapter, "boating year" means a calendar year.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-4

"Motorized boat" defined

Sec. 4. As used in this chapter, "motorized boat" means a boat that is propelled by an internal combustion, steam, or electrical inboard or outboard motor or engine or propelled by any mechanical means, including a sailboat that is equipped with a motor or engine.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-5

"Tax situs" defined

Sec. 5. As used in this chapter, "tax situs" means the taxing district in which a boat is located on March 1 of a boating year unless:

(1) the boat is acquired after March 1, in which case the boat's tax situs is where the owner intends to have the boat on the following March 1; or

(2) the boat is registered outside Indiana, in which case the boat's tax situs is the taxing district in which the boat is principally stored or operated during the boating year.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-6

"Taxing district" defined

Sec. 6. As used in this chapter, "taxing district" has the meaning set forth in IC 6-1.1-1-20.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-7

"Taxing unit" defined

Sec. 7. As used in this chapter, "taxing unit" has the meaning set forth in IC 6-1.1-18.5-1.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-8

Operation, use, docking, and storage of boat in county; prerequisites; ad valorem property tax

Sec. 8. (a) Except as provided in subsections (b) and (d), a boat may not be operated, used, docked, or stored in a county during any part of a boating year:

(1) unless:

(A) the boat excise tax;

(B) the department of natural resources fees imposed by section 12(a) of this chapter; and

(C) the lake and river enhancement fee imposed by section 12(b) of this chapter;

for that boat have been paid for that boating year; and

(2) unless valid boat excise tax decals for that boating year are affixed to the boat.

(b) A boat may be operated, used, docked, or stored in a county without the boat excise tax having been paid if:

(1) the boat is exempt from the excise tax under section 9 of this chapter; or

(2) the operator of the boat has in the operator's possession a bill of sale from a dealer or private individual that includes the following:

(A) The purchaser's name and address.

(B) A date of purchase that is not more than thirty-one (31) days preceding the date that the operator is required to show the bill of sale.

(C) The make and type of boat or the hull identification number.

(c) Boats that are subject to the boat excise tax for a boating year are not subject to assessment and taxation under IC 6-1.1 for ad valorem property taxes first due and payable in the following boating year, with respect to the taxpayer who must pay the boat excise tax.

(d) A boat may be operated, used, docked, or stored in a county without valid boat excise tax decals for that boating year being affixed to the boat if the decals do not have to be affixed to the boat under rules adopted by the department of natural resources.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.16; P.L.70-1991, SEC.1; P.L.80-1993, SEC.1.

IC 6-6-11-9

Exemptions

Sec. 9. A boat is exempt from the boat excise tax imposed for a year if the boat is:

(1) owned by the United States;

(2) owned by the state or one (1) of its political subdivisions (as

defined in IC 36-1-2-13);
(3) owned by an organization exempt from federal income taxation under 501(c)(3) of the Internal Revenue Code;
(4) a human powered vessel, as determined by the department of natural resources;
(5) held by a boat manufacturer, distributor, or dealer for sale in the ordinary course of business;
(6) used by a person for the production of income and subject to assessment under IC 6-1.1;
(7) stored in Indiana for less than twenty-two (22) consecutive days and not operated, used, or docked in Indiana;
(8) except as provided in subdivision (9), registered outside Indiana and operated, used, or docked in Indiana for a combined total of less than twenty-two (22) consecutive days during the boating year;
(9) a motorboat (as defined by IC 9-13-2-103.5) and is registered outside Indiana and docked on the Indiana part of Lake Michigan for a combined total of not more than one hundred eighty (180) consecutive days; or
(10) subject to the commercial vessel tonnage tax under IC 6-6-6.

As added by P.L.98-1989, SEC.1. Amended by P.L.81-1993, SEC.1; P.L.146-2008, SEC.356; P.L.219-2014, SEC.3.

IC 6-6-11-10
Amount of tax; computation

Sec. 10. (a) The amount of boat excise tax that a boat owner shall pay for a boating year is based on the boat's class and age.

(b) Motorized boats and sailboats are classified for excise tax purposes according to the value of the boat when the boat was new. The amount of excise tax for a boating year that is imposed for a motorized boat or a sailboat and owed by the boat owner is prescribed in the following table:

CLASS	MOTORIZED BOAT'S or SAILBOAT'S VALUE WHEN NEW AT LEAST but	LESS THAN	TAX DUE
1	$ 0.01	$ 500	$ 2
2	500	1,000	6
3	1,000	1,500	20
4	1,500	2,000	30
5	2,000	3,000	42
6	3,000	5,000	55
7	5,000	7,500	70
8	7,500	10,000	88
9	10,000	15,000	110
10	15,000	22,500	150
11	22,500	35,000	200
12	35,000	50,000	275
13	50,000	75,000	375
14	75,000 or more		500

The bureau of motor vehicles shall adopt rules under IC 4-22-2 for determining the value of new boats. A tax paid under subsection (c) may be used as a credit against the taxes owed for the same boating year under this subsection.

(c) Notwithstanding subsection (b), the amount of excise tax imposed and owed by a boat owner is twelve dollars ($12) for a motorized boat or a sailboat that is stored in Indiana for sixty (60) consecutive days or more but not operated, used, or docked in Indiana waters, except to facilitate storage of the boat.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.17; P.L.71-1991, SEC.1; P.L.81-1993, SEC.2; P.L.64-1996, SEC.1.

IC 6-6-11-11

Reductions in tax; age of boat

Sec. 11. The boat excise tax due under section 10 of this chapter is reduced by ten percent (10%) for each year since the year the boat was manufactured, but not to exceed fifty percent (50%). The reduced excise tax liability shall be rounded upward to the next full dollar amount. However, the boat excise tax due for a year may not be reduced to less than six dollars ($6) for Class 2 through Class 14 boats or two dollars ($2) for a Class 1 boat.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.18; P.L.71-1991, SEC.2.

IC 6-6-11-12

Department of natural resources fee; lake and river enhancement fee

Sec. 12. (a) In addition to paying the boat excise tax, a boat owner shall complete a form and pay a department of natural resources fee for each boat required to have boat excise decals. The fee is five dollars ($5) for each boating year. However, the fee is waived for the boating year in which the registration fee prescribed by IC 9-29-15 is paid for that boat. The revenue from the fees collected under this chapter shall be transferred to the department of natural resources, as provided in section 29 of this chapter.

(b) In addition to the boat excise tax and the department of natural resources fee, a boat owner shall pay to the department of natural resources a lake and river enhancement fee for each boat required to have boat excise decals in the amount set forth in the following table:

Value of the Boat	Amount of the Fee
Less than $1,000	$ 5
At least $1,000, but less than $3,000	$10
At least $3,000, but less than $5,000	$15
At least $5,000, but less than $10,000	$20
At least $10,000	$25

(c) The revenue from the lake and river enhancement fee imposed under subsection (b) shall be deposited in the following manner:

(1) Two-thirds (2/3) of the money shall be deposited in the lake and river enhancement fund established by section 12.5 of this chapter.

(2) One-third (1/3) of the money shall be deposited in the conservation officers marine enforcement fund established by IC 14-9-8-21.5.

As added by P.L.98-1989, SEC.1. Amended by P.L.70-1991, SEC.2; P.L.71-1991, SEC.3; P.L.1-1992, SEC.23; P.L.80-1993, SEC.2; P.L.233-2003, SEC.1.

IC 6-6-11-12.5

Lake and river enhancement fund

Sec. 12.5. (a) The lake and river enhancement fund is established and allocated for the following purposes:

(1) One-half (1/2) of the fund shall be used to pay costs incurred by the department of natural resources in implementing the lake and river enhancement projects required by IC 14-32-7-12(b)(7).

(2) One-half (1/2) of the fund shall be used by the department of natural resources to pay for lake or river (as defined in IC 14-32-7-12) projects, including, but not limited to, projects to:

(A) remove sediment;

(B) control exotic or invasive plants or animals; or

(C) remove logjams or obstructions.

For purposes of this subdivision, the fund may not be used for projects relating to a ditch or manmade channel.

(b) The fund shall be administered by the director of the department of natural resources.

(c) Expenses of administering the fund shall be paid from money in the fund.

(d) The fund consists of the revenue from the lake and river enhancement fee paid by boat owners and deposited under section 12(c)(1) of this chapter.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) With the approval of the governor and the budget agency, the money in the fund allocated under subsection (a)(1) may be used to augment and supplement the funds appropriated for the implementation of lake and river enhancement projects required by IC 14-32-7-12(b)(7).

As added by P.L.80-1993, SEC.3. Amended by P.L.1-1995, SEC.51; P.L.233-2003, SEC.2; P.L.207-2011, SEC.1; P.L.151-2012, SEC.6.

IC 6-6-11-13

Payments; bureau of motor vehicles

Sec. 13. A boat owner shall pay:

(1) the boat excise tax;

(2) the department of natural resources fee imposed by section 12(a) of this chapter;

(3) the lake and river enhancement fee imposed by section 12(b) of this chapter; and

(4) if:

(A) the motorboat is legally registered in another state; and
(B) the boat owner pays the excise tax and fees under subdivisions (1), (2), and (3);

the fee imposed by IC 9-29-15-9;

for a boating year to the bureau of motor vehicles. The tax and fees must be paid at the same time that the boat owner pays or would pay the registration fee and motor vehicle excise taxes on motor vehicles under IC 9-18 and IC 6-6-5. When the boat owner pays the tax and fees, the owner is entitled to receive the excise tax decals.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.19; P.L.70-1991, SEC.3; P.L.2-1991, SEC.49; P.L.1-1992, SEC.24; P.L.80-1993, SEC.4; P.L.62-1996, SEC.2; P.L.46-2006, SEC.1.

IC 6-6-11-14

Boats subject to tax after the regular annual tax payment date; payment; amount

Sec. 14. (a) For a boat which has been acquired, or brought into Indiana, or for any other reason becomes subject to the excise tax after the regular annual tax payment date in the boating year on or before which the owner is required to pay the tax on boats under this chapter, the tax imposed by this chapter shall become due and payable no later than:

(1) the thirty-second day after the boat is operated in Indiana, if the boat is registered in Indiana;

(2) except as provided in subdivision (3), the twenty-second consecutive day during the boating year that the boat is:

(A) stored in Indiana; or

(B) operated, used, or docked in Indiana waters if the boat is registered outside Indiana; or

(3) the one hundred eighty-first day that the motorboat (as defined by IC 9-13-2-103.5) is docked on the Indiana part of Lake Michigan if the motorboat is registered outside Indiana.

(b) The amount of excise tax to be paid by the owner for the remainder of the year shall be reduced by ten percent (10%) for each full calendar month which has elapsed since the regular annual tax payment date in the year fixed by the bureau of motor vehicles for tax payment by the owner.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.20; P.L.81-1993, SEC.3; P.L.219-2014, SEC.4.

IC 6-6-11-15

Boats subject to taxation after January 1 of boating year; payments

Sec. 15. For a boat which is acquired, or brought into Indiana, or for any other reason becomes subject to taxation under this chapter after January 1 of a boating year, the owner may pay the fees and the excise tax due on the boat as provided in this chapter and any excise tax due on the boat for the remainder of the boating year and simultaneously pay the fees and the excise tax due for the following boating year.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.21.

IC 6-6-11-16
Reduction in tax; exception

Sec. 16. Except as provided in sections 11 and 19 of this chapter, a reduction in the excise tax is not allowed to Indiana residents if the boat was owned by the person on or before the person's tax payment date.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.22.

IC 6-6-11-17
Sale of boat; tax credit

Sec. 17. (a) Every owner of a boat who sells the boat in a year in which the boat owner has paid the excise tax is entitled to receive a credit equal to the remainder of the tax paid for the boat reduced by eight and thirty-three hundredths percent (8.33%) for each full or partial calendar month that has elapsed in the tax payment year before the date of the sale. The credit shall be applied to the owner's tax due on any other boat of the owner in the same year or may be carried over and used in the following year if the credit was not fully used in the preceding year. The credit expires at the end of the year that follows the year in which the credit originally accrued.

(b) A cash refund may not be made on a credit issued under subsection (a) on the sale of a boat. A tax credit is transferable from one (1) member of the same immediate family to another member of the same family with no consideration involved or received as an outright gift or inheritance.

As added by P.L.98-1989, SEC.1. Amended by P.L.109-2011, SEC.1.

IC 6-6-11-18
Destruction of boat; tax refund

Sec. 18. (a) Every owner of a boat that:

(1) is destroyed in a year in which the owner paid the excise tax imposed by this chapter; and

(2) is not replaced by a replacement boat for which a credit is issued under this chapter;

is entitled to a refund in an amount equal to ten percent (10%) of the excise tax paid for each full calendar month remaining in the registrant's tax payment year after the date of destruction.

(b) To receive a refund under subsection (a), a boat owner must present and return to the bureau of motor vehicles the following:

(1) A request for refund on a form furnished by the bureau.

(2) A statement of proof of destruction on an affidavit furnished by the bureau.

(3) The tax payment form for the boat.

(c) A refund under this section may not exceed ninety percent (90%) of the excise tax paid on the destroyed boat. The amount shall be refunded by a warrant issued by the auditor of the county that received the excise tax revenue and shall be drawn on the county's boat excise tax fund.

(d) For purposes of this section, a boat is considered destroyed if the cost of repair of damages suffered by the boat exceeds the boat's

fair market value.
As added by P.L.98-1989, SEC.1. Amended by P.L.75-1989, SEC.2; P.L.33-1990, SEC.23.

IC 6-6-11-19
Name change causing change in payment date; adjustment of tax liability

Sec. 19. If the name of the owner of a boat is legally changed and the change has caused a change in the owner's annual tax payment date, the excise tax liability of the owner shall be adjusted as follows:

(1) If the name change requires the owner to pay the excise tax sooner than the owner would have been required to pay if there had been no name change, the owner shall, at the time the name change is reported, be authorized a refund from the county treasurer in the amount of the product of:

(A) ten percent (10%) of the owner's last preceding annual excise tax liability; multiplied by

(B) the number of full calendar months between the owner's new tax payment month and the tax payment month that is based on the owner's former name.

(2) If the name change requires the owner to pay the excise tax later than the owner would have been required to pay if there had been no name change, the boat is subject to excise tax for the period between the month in which the owner would have been required to pay if there had been no name change and the new tax payment month. The tax is the product of:

(A) ten percent (10%) of the owner's excise tax liability computed as of the time the owner would have been required to pay the excise tax if there had been no name change; multiplied by

(B) the number of full calendar months between the month in which the owner would have been required to pay if there had been no name change and the owner's new tax payment month.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-20
Bureau of motor vehicles; utilization of license branches for collection and administration

Sec. 20. The bureau of motor vehicles, in the administration and collection of the boat excise tax imposed by this chapter, may utilize the services and facilities of license branches operated under IC 9-16. The license branches may be utilized in accordance with the procedures, in the manner, and to the extent that the bureau determines to be necessary and proper to implement and effectuate the administration and collection of the excise tax imposed by this chapter. However, if the bureau utilizes the license branches in the collection of the boat excise tax, the following apply:

(1) The excise taxes and fees collected by each license branch shall be deposited daily by the license branch in a separate

account in a depository duly designated by the state board of finance. Before the eleventh day of the month following the month in which the collections are made, the bureau of motor vehicles shall report the excise taxes collected to the county treasurer of the county to which the collections are due.

(2) The bureau shall forward a copy of the excise tax report to the county auditor of the county.

(3) Each license branch shall report to the bureau all boat excise taxes and fees collected under this chapter in the same manner and at the same time as registration fees are reported for motor vehicle registrations.

(4) A bond in an amount to be set by the bureau shall be posted by each license branch to cover the activities of the license branch in connection with the administration and collection of the excise tax and fees imposed by this chapter. The premiums for the bonds and for insurance to protect the funds collected by the branches against theft shall be paid by the bureau, except that the bureau may issue blanket coverage for all branches at its discretion. This bond does not have to be a separate bond from the bond required by IC 6-6-5-9.

(5) An additional charge may not be imposed for the services of the license branches.

As added by P.L.98-1989, SEC.1. Amended by P.L.2-1991, SEC.50.

IC 6-6-11-21

Tax payment form

Sec. 21. The state board of accounts shall prescribe the tax payment form to be used by the bureau of motor vehicles. The board shall prescribe one (1) document to serve as the form. The form must have a sufficient number of copies for distribution and include appropriate spaces for the following information:

(1) The owner's name and address.

(2) The name of the county and the address of the location where the boat has its tax situs for the boating year.

(3) A description of the boat, including the manufacturer's specified length for the boat.

(4) The age of the boat.

(5) The class prescribed for the boat under this chapter.

(6) The excise tax imposed on the boat for the boating year under this chapter.

(7) The boat's state registration or Coast Guard documentation number, if any, and any other information reasonably required by the department of natural resources.

(8) The signature of the boat owner on the owner's copy of the form verifying that the information is true and correct and acknowledging that the boat owner will be subject to penalties for perjury for providing false information.

(9) Any other information prescribed by the state board of accounts.

As added by P.L.98-1989, SEC.1. Amended by P.L.75-1989, SEC.3.

IC 6-6-11-22
Excise tax decals

Sec. 22. The department of natural resources shall prescribe the design of the boat excise tax decals in sufficient time for the bureau of motor vehicles to procure a sufficient number of boat excise tax decals for each class of boat. Each decal must:

(1) state the boating year to which the decal applies;
(2) have a unique identification number;
(3) be a different color than the colors used for the previous boating year; and
(4) be designed so that law enforcement officers can easily identify whether the decal is valid.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-23
Replacement of lost, stolen, or damaged decals

Sec. 23. The bureau of motor vehicles shall establish a procedure for replacing lost, stolen, and damaged decals. A fee of three dollars ($3) shall be charged by the bureau to defray the cost of issuing replacement decals.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-23.5
Issuance of decal to tax exempt organization

Sec. 23.5. The bureau of motor vehicles may issue a decal to a boat owned by an organization exempt from Federal income taxation under 501(c)(3) of the Internal Revenue Code.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-24
Affixing boat decals

Sec. 24. The taxpayer shall affix the boat excise tax decals:

(1) to the bow of each side of the boat, within three (3) inches to the right of the boat's registration number; or
(2) on each side of the forward half of the bow above the water line of the boat if a registration number is not required to be displayed.

However, the department of natural resources may adopt rules under IC 4-22-2 providing that decals do not have to be affixed to certain types of boats.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-25
Failure to pay tax; penalty

Sec. 25. A boat owner who operates, uses, docks, or stores a boat without paying the full amount of boat excise tax due under this chapter commits a Class C infraction.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-26

Judgment; transmission of copy; delinquent fee

Sec. 26. If a boat owner has a judgment entered against the owner for violating section 25 of this chapter, the court shall transmit a copy of the judgment to the bureau of motor vehicles. A boat owner who does not pay the boat excise tax on or before the due date shall pay a delinquent fee equal to one hundred percent (100%) of the boat excise tax due. The bureau of motor vehicles shall collect this delinquent fee along with the excise taxes due for the boat. The amount collected in delinquent fees shall be credited to a special account within the state general fund to be used as provided in section 35 of this chapter.

As added by P.L.98-1989, SEC.1. Amended by P.L.44-1992, SEC.4.

IC 6-6-11-27

Tampering with decal; penalty

Sec. 27. A person who falsifies, predates, changes, or counterfeits a boat excise tax decal commits a Class C misdemeanor.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-28

Enforcement; lessors of dockage space, slips, or storage space; information

Sec. 28. (a) The law enforcement officers of Indiana, including any enforcement officer of the department of natural resources, shall enforce this chapter.

(b) A person who leases to others dockage space, slips, or storage space for boats shall supply information relating to the person's leasing business to any law enforcement officer who requests the information for purposes of enforcing this chapter.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-29 Version a

Transfer of money collected by BMV

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 29. (a) The bureau of motor vehicles shall transfer the department of natural resources fee, the lake and river enhancement fee, the delinquent excise taxes, and the delinquent fees collected under this chapter during the preceding month as follows:

(1) On or before the eleventh day of each month, the bureau of motor vehicles shall transfer to the state license branch fund an amount equal to five percent (5%) of each excise tax transaction completed by the bureau. The money is to be used to cover the expenses incurred by the bureau of motor vehicles and the license branches for returns, decals, collecting the fees and excise taxes and to cover any service charges by the commission under IC 9-29-3. An additional charge may not be imposed for the services of the license branches under this chapter.

(2) At least quarterly, the bureau of motor vehicles shall set aside for the department of natural resources the fees and the

delinquent fees collected under this chapter to use as provided in section 35 of this chapter.

(3) On or before the tenth day of each month, the bureau of motor vehicles shall distribute to each county the excise tax collections, including delinquent tax collections, for the county for the preceding month. The bureau of motor vehicles shall include a report with each distribution showing the information necessary for the county auditor to allocate the revenue among the taxing units of the county.

(4) The bureau of motor vehicles shall deposit the revenue from the lake and river enhancement fee imposed by section 12(b) of this chapter in the lake and river enhancement fund established by section 12.5 of this chapter.

(b) Money credited to each county's account in the state general fund is appropriated to make the distributions and the transfers required by subsection (a). The distributions shall be made upon warrants drawn from the state general fund.

As added by P.L.98-1989, SEC.1. Amended by P.L.75-1989, SEC.4; P.L.33-1990, SEC.24; P.L.70-1991, SEC.4; P.L.2-1991, SEC.51; P.L.1-1992, SEC.25; P.L.44-1992, SEC.5; P.L.80-1993, SEC.5; P.L.261-2013, SEC.36.

IC 6-6-11-29 Version b

Transfer of money collected by BMV

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 29. (a) The bureau of motor vehicles shall transfer the department of natural resources fee, the lake and river enhancement fee, the delinquent excise taxes, and the delinquent fees collected under this chapter during the preceding month as follows:

(1) On or before the eleventh day of each month, the bureau of motor vehicles shall transfer to the bureau of motor vehicles commission fund an amount equal to five percent (5%) of each excise tax transaction completed by the bureau. The money is to be used to cover the expenses incurred by the bureau of motor vehicles and the license branches for returns, decals, collecting the fees and excise taxes and for amounts deposited in the commission fund. An additional charge may not be imposed for the services of the license branches under this chapter.

(2) At least quarterly, the bureau of motor vehicles shall set aside for the department of natural resources the fees and the delinquent fees collected under this chapter to use as provided in section 35 of this chapter.

(3) On or before the tenth day of each month, the bureau of motor vehicles shall distribute to each county the excise tax collections, including delinquent tax collections, for the county for the preceding month. The bureau of motor vehicles shall include a report with each distribution showing the information necessary for the county auditor to allocate the revenue among the taxing units of the county.

(4) The bureau of motor vehicles shall deposit the revenue from the lake and river enhancement fee imposed by section 12(b) of this chapter in the lake and river enhancement fund established by section 12.5 of this chapter.

(b) Money credited to each county's account in the state general fund is appropriated to make the distributions and the transfers required by subsection (a). The distributions shall be made upon warrants drawn from the state general fund.

As added by P.L.98-1989, SEC.1. Amended by P.L.75-1989, SEC.4; P.L.33-1990, SEC.24; P.L.70-1991, SEC.4; P.L.2-1991, SEC.51; P.L.1-1992, SEC.25; P.L.44-1992, SEC.5; P.L.80-1993, SEC.5; P.L.261-2013, SEC.36; P.L.216-2014, SEC.7.

IC 6-6-11-30

Excise tax summary

Sec. 30. Before March 1 of each year the bureau of motor vehicles shall prepare a boat excise tax summary covering the previous boating year. The summary must include the following:

(1) The number of boats by county.

(2) The number of boats by class.

(3) The amount of excise tax collected by class.

The bureau shall send a copy of the summary to the auditor of state, the department of natural resources, and the county assessors.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-31

Boat excise tax fund; state welfare and tuition support allocation amount

Sec. 31. (a) A boat excise tax fund is established in each county. Each county treasurer shall deposit in the fund the taxes received under this chapter.

(b) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. The excise tax money in the county boat excise tax fund shall be distributed to the taxing units of the county. The county auditor shall allocate the money in the fund among the taxing districts of the county based on the tax situs of each boat. Subject to this subsection, the money allocated to the taxing units shall be apportioned and distributed among the funds of the taxing units in the same manner and at the same time that property taxes are apportioned and distributed (subject to adjustment as provided in IC 36-8-19-7.5). For purposes of determining the distribution for a year under this section for a taxing unit, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit as

directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP THREE of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the sum of the STEP ONE and STEP TWO amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE or STEP TWO, the auditor of state shall establish a ratio for the new taxing district that reflects the

tax rates imposed in the predecessor taxing districts. If a new taxing district is established after the years for which a ratio is calculated under STEP ONE, STEP TWO, or STEP THREE, the auditor of state shall establish a ratio for the new taxing district and adjust the ratio for other taxing districts in the county.

As added by P.L.98-1989, SEC.1. Amended by P.L.44-1992, SEC.6; P.L.146-2008, SEC.357; P.L.182-2009(ss), SEC.245; P.L.261-2013, SEC.37.

IC 6-6-11-32
Repealed

(Repealed by P.L.44-1992, SEC.8.)

IC 6-6-11-33
County treasurer; duties

Sec. 33. The county treasurer shall do the following:

(1) At the same time a settlement is made with the county auditor under IC 6-1.1-27, file a report, on a form prescribed by the state board of accounts, with the county auditor concerning the boat excise taxes received during the preceding six (6) month period.

(2) In the manner and at the times prescribed in IC 6-1.1-27, make a settlement with the county auditor for the boat excise taxes received under this chapter.

(3) In the manner prescribed by the state board of accounts, maintain records concerning the boat excise taxes received and distributed.

As added by P.L.98-1989, SEC.1.

IC 6-6-11-34
Repealed

(Repealed by P.L.44-1992, SEC.8.)

IC 6-6-11-35
Department of natural resources; use of funds

Sec. 35. The money set aside from the department of natural resources fees for the department of natural resources under section 29 of this chapter is annually appropriated and shall be used exclusively for the following:

(1) The enforcement of laws pertaining to watercraft.

(2) The state's share of the cost of retirement benefits for the department's conservation officers.

(3) Improving the navigable waters of Indiana.

As added by P.L.98-1989, SEC.1. Amended by P.L.33-1990, SEC.25.

IC 6-6-11-36
Indebtedness of political or municipal corporations; assessed valuation

Sec. 36. For the purpose of the limitations on indebtedness of political or municipal corporations imposed by Article 13, Section 1

of the Constitution of the State of Indiana, a boat subject to taxation under this chapter is considered taxable property within the political or municipal corporation in which the boat has its tax situs. For that purpose, the assessed valuation of the boat is the quotient of:

(1) the excise tax collected in the county multiplied by one hundred (100); divided by

(2) the gross property tax rate for the political subdivision or municipal corporation.

As added by P.L.98-1989, SEC.1.

IC 6-6-12
Chapter 12. Road Tax Credit

IC 6-6-12-1
Applicability
Sec. 1. This chapter applies to a carrier that is taxed on the consumption of motor fuel under IC 6-6-4.1.
As added by P.L.277-2013, SEC.14.

IC 6-6-12-2
Applicable after 2013
Sec. 2. This chapter applies to road taxes paid after December 31, 2013.
As added by P.L.277-2013, SEC.14.

IC 6-6-12-3
"Carrier"
Sec. 3. As used in this chapter, "carrier" has the meaning set forth in IC 6-6-4.1-1(a).
As added by P.L.277-2013, SEC.14.

IC 6-6-12-4
"Road tax"
Sec. 4. As used in this chapter, "road tax" means any of the following:
(1) The gasoline tax (IC 6-6-1.1).
(2) The special fuel tax (IC 6-6-2.5).
(3) The motor carrier fuel tax (IC 6-6-4.1).
As added by P.L.277-2013, SEC.14.

IC 6-6-12-5
Tax credit claim
Sec. 5. (a) Before July 1, 2014, a carrier that consumes compressed natural gas to propel a vehicle described in IC 6-6-4.1-2(a) may claim a credit against the road taxes imposed upon the carrier's consumption of compressed natural gas in the previous state fiscal year.
(b) After June 30, 2014, a carrier that consumes compressed natural gas to propel a vehicle described in IC 6-6-4.1-2(a) may claim a credit against the road taxes imposed upon the carrier's consumption of compressed natural gas in the previous calendar quarter. A carrier must claim the credit in the manner prescribed under section 7 of this chapter before the following due dates:
(1) October 30 in 2014 and each year thereafter.
(2) January 30 in 2015 and each year thereafter.
(3) April 30 in 2015 and each year thereafter.
(4) July 30 in 2015 and each year thereafter.
As added by P.L.277-2013, SEC.14. Amended by P.L.212-2014, SEC.7.

IC 6-6-12-6
Tax credit amount

Sec. 6. The amount of a credit allowed under this chapter is equal to twelve percent (12%) of the road taxes imposed upon the carrier's consumption of compressed natural gas in:

(1) the previous state fiscal year for compressed natural gas consumed before July 1, 2014; or

(2) the previous calendar quarter for compressed natural gas consumed after June 30, 2014.

As added by P.L.277-2013, SEC.14. Amended by P.L.212-2014, SEC.8.

IC 6-6-12-7
Procedure for claiming credit

Sec. 7. A carrier must claim the credit on a form and in the manner prescribed by the department of state revenue.

As added by P.L.277-2013, SEC.14.

IC 6-6-12-8
Refundable credit

Sec. 8. A credit allowed under this chapter is refundable. Credits refunded under this section are payable from the motor vehicle highway account established under IC 8-14-1.

As added by P.L.277-2013, SEC.14.

IC 6-6-12-9
False statement; fraudulent fuel receipts; penalties

Sec. 9. A person who knowingly makes a false statement or knowingly presents a fraudulent receipt for the payment of a road tax for the purpose of:

(1) obtaining;

(2) attempting to obtain; or

(3) assisting any other person to obtain or attempt to obtain;

a credit under this chapter commits a Class C infraction.

As added by P.L.277-2013, SEC.14.

IC 6-6-13

Chapter 13. Aviation Fuel Excise Tax

IC 6-6-13-1

Applicability

Sec. 1. This chapter applies to aviation fuel purchased after June 30, 2013.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-2

"Aviation fuel"

Sec. 2. As used in this chapter, "aviation fuel" has the meaning set forth in IC 6-2.5-5-49.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-3

"Department"

Sec. 3. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-4

"Person"

Sec. 4. As used in this chapter, "person" means a natural person, a partnership, a firm, an association, a corporation, a representative appointed by a court, the state, a political subdivision (as defined in IC 36-1-2-13), or any other entity, group, or syndicate.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-5

"Retailer"

Sec. 5. As used in this chapter, "retailer" means a person that engages in the business of selling or distributing aviation fuel to the end user within Indiana.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-6

Excise tax imposed

Sec. 6. (a) Except as provided in section 7 of this chapter, an excise tax of ten cents ($0.10) per gallon is imposed on the gross retail income received by a retailer on each gallon of aviation fuel purchased in Indiana. A retailer shall add the per gallon amount of tax to the selling price of each gallon of aviation fuel sold by the retailer so that the ultimate consumer bears the burden of the tax.

(b) For purposes of this chapter, the gross retail income received by the retailer from the sale of aviation fuel does not include the amount of any excise tax imposed upon the sale under federal law.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-7

Exempt entities

Sec. 7. The sale of aviation fuel is exempt from the aviation fuel excise tax if the aviation fuel is placed into the fuel supply tank of an aircraft owned by:

(1) the United States or an agency or instrumentality of the United States;
(2) the state of Indiana;
(3) the Indiana Air National Guard; or
(4) a common carrier of passengers or freight.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-8
Exemption certificates

Sec. 8. A person who makes a purchase in a transaction that is exempt from the aviation fuel excise tax under section 7 of this chapter may issue an exemption certificate to the retailer instead of paying the tax. The person shall issue the certificate on forms and in the manner prescribed by the department. A retailer accepting a proper exemption certificate under this section has no duty to collect or remit the aviation fuel excise tax on that purchase.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-9
Schedule of remittance

Sec. 9. Except as provided in section 11 of this chapter, a retailer shall remit the aviation fuel excise taxes imposed on transactions that occurred during a particular calendar month to the department before the sixteenth day of the following calendar month.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-10
Method of remittance

Sec. 10. A retailer required to remit aviation fuel excise taxes shall remit the taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) before the date the tax is due under section 9 of this chapter.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-11
Collection allowance

Sec. 11. A retailer who properly remits aviation fuel excise taxes shall be allowed to retain one and six-tenths percent (1.6%) of the taxes to cover the costs of collecting, reporting, and timely remitting aviation fuel excise taxes.

As added by P.L.288-2013, SEC.67.

IC 6-6-13-12
Excise tax collected held in trust; personal liability

Sec. 12. The aviation fuel excise taxes a retailer collects on the sale of aviation fuel belong to the state. Except as provided in section

11 of this chapter, a retailer shall hold the money in trust for the state and for payment to the department. A retailer shall report and remit state gross retail and use taxes through the department's online tax filing program. In the case of a corporation or partnership, each officer, employee, or member of the employer who is in that capacity is under a duty to collect the tax, and is personally liable for the tax, penalty, and interest.
As added by P.L.288-2013, SEC.67.

IC 6-6-13-13
Failure to collect or remit; monetary penalties; criminal liability

Sec. 13. (a) A person who knowingly fails to collect or timely remit tax otherwise required to be paid to the department under section 9 of this chapter is liable for the uncollected tax plus a penalty equal to one hundred percent (100%) of the uncollected tax.

(b) A person who recklessly, knowingly, or intentionally fails or refuses to pay over to the state the aviation fuel excise tax at the time required in this chapter or who fraudulently withholds or appropriates or otherwise uses the money or any part thereof belonging to the state commits a Level 6 felony.

(c) A person who negligently disregards any provision of this chapter is subject to a civil penalty of five hundred dollars ($500) for each separate occurrence of negligent disregard as determined by the department.
As added by P.L.288-2013, SEC.67. Amended by P.L.168-2014, SEC.10.

IC 6-6-13-14
Listed tax

Sec. 14. The aviation fuel excise tax is a listed tax for purposes of IC 6-8.1.
As added by P.L.288-2013, SEC.67.

IC 6-6-13-15
Deposit of aviation fuel excise tax revenue

Sec. 15. The department shall transfer aviation fuel excise taxes collected under this chapter to the treasurer of state for deposit in the state general fund.
As added by P.L.288-2013, SEC.67.

IC 6-6-14
Chapter 14. Alternative Fuel Decals

IC 6-6-14-1
"Alternative fuel"
Sec. 1. As used in this chapter, "alternative fuel" means a liquefied petroleum gas used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. The term includes all forms of fuel commonly or commercially known or sold as butane or propane.
As added by P.L.212-2014, SEC.9.

IC 6-6-14-2
"Department"
Sec. 2. As used in this chapter, "department" means the department of state revenue.
As added by P.L.212-2014, SEC.9.

IC 6-6-14-3
"Special fuel"
Sec. 3. As used in this chapter, "special fuel" has the meaning set forth in IC 6-6-2.5-22.
As added by P.L.212-2014, SEC.9.

IC 6-6-14-4
Alternative fuel decals; annual fees
Sec. 4. (a) The owner of one (1) of the following motor vehicles that is registered in Indiana and that is propelled by alternative fuel shall obtain an alternative fuel decal for the motor vehicle and pay an annual fee in accordance with the following schedule:

SCHEDULE

Motor Vehicle	Annual Fee
A passenger motor vehicle, truck, or bus, the declared gross weight of which is equal to or less than 9,000 pounds.	$100
A recreational vehicle.	$100
A truck or bus, the declared gross weight of which is greater than 9,000 pounds but equal to or less than 11,000 pounds.	$175
An alternative fuel delivery truck powered by alternative fuel, which is a truck the declared gross weight of which is greater than 11,000 pounds.	$250
A truck or bus, the declared gross weight of which is greater than 11,000 pounds, except an alternative fuel delivery truck.	$300
A tractor, designed to be used with a semitrailer.	$500

Only one (1) fee is required to be paid per motor vehicle per year.
(b) The annual fee may be prorated on a quarterly basis if:

(1) application is made after June 30 of a year; and
(2) the motor vehicle is newly:
(A) converted to alternative fuel;
(B) purchased; or
(C) registered in Indiana.
As added by P.L.212-2014, SEC.9.

IC 6-6-14-5
Temporary trip permits

Sec. 5. (a) The owner of a motor vehicle that is propelled by alternative fuel and is:
(1) registered outside Indiana; and
(2) operated on a public highway in Indiana;
shall obtain a temporary trip permit. An alternative fuel temporary trip permit may be purchased from a licensed propane dealer who sells alternative fuels.

(b) A temporary trip permit is valid for seventy-two (72) hours from the time of purchase. The fee for each permit is five dollars and fifty cents ($5.50). The fee for an alternative temporary trip permit must be collected from the purchaser by the licensed propane dealer and paid monthly to the administrator on forms prescribed by the department.
As added by P.L.212-2014, SEC.9.

IC 6-6-14-6
Propane dealer license

Sec. 6. (a) Before dispensing alternative fuel into a motor vehicle, a person desiring to make alternative fuel sales in Indiana must be licensed by the department as a propane dealer. A person may apply for a propane dealer license on a form prescribed by the department. The department may make any reasonable investigation of an applicant before issuing a license to the applicant. The fee for a propane dealer license is fifty dollars ($50).

(b) The department shall issue a license card to each applicant approved for a propane dealer license. A licensed propane dealer shall display the license card in a conspicuous place at each location operated by the licensed propane dealer where alternative fuel is dispensed into motor vehicles in Indiana.

(c) The department may rescind a propane dealer license if the propane dealer fails to comply with any requirement of this chapter.

(d) Fees collected under this section must be deposited, allocated, and distributed in the same manner that special fuel taxes are deposited, allocated, and distributed under IC 6-6-2.5-67.
As added by P.L.212-2014, SEC.9.

IC 6-6-14-7
Alternative fuel decal application

Sec. 7. (a) The administrator shall issue an alternative fuel decal to an owner of a motor vehicle propelled by alternative fuel who applies for a decal, pays to the administrator the fee, and provides the

information that is required by the administrator.

(b) An alternative fuel decal is effective from April 1 of each year through March 31 of the next year. The administrator may extend the expiration date for not more than thirty (30) days. During the month of March, the owner shall display the valid decal through March 31 or the decal issued to the owner for the next twelve (12) months. If the administrator grants an extension of the expiration date, the owner shall continue to display the decal for which the extension was granted.

As added by P.L.212-2014, SEC.9.

IC 6-6-14-8

Affixing an alternative fuel decal; replacement

Sec. 8. (a) The owner of a motor vehicle propelled by alternative fuel shall affix the alternative fuel decal to the lower left side of the front windshield of the motor vehicle for which it was issued. The decal may be displayed only on the motor vehicle for which the decal was issued.

(b) Upon application of the owner and surrender of a decal, the administrator may issue a new decal or give credit toward the fee for a decal for another vehicle or for a subsequent twelve (12) months. Upon receipt of the new decal or a credit statement, the owner shall return to the administrator:

(1) the old decal; or

(2) a sworn statement indicating that the old decal has been destroyed.

(c) A credit under this section shall be computed by multiplying the fee paid for the old decal by a fraction. The denominator of the fraction is the number of whole and partial quarters for which the old decal was issued. The numerator of the fraction is the number of remaining whole quarters that the old decal would have been valid.

(d) A credit under this section may not be given during the last three (3) months before the decal expires.

(e) No refunds may be allowed under this section.

As added by P.L.212-2014, SEC.9.

IC 6-6-14-9

Alternative fuel decal; use of alternative fuels

Sec. 9. A person may place or cause to be placed alternative fuel into the fuel supply tank of a motor vehicle only under one (1) of the following conditions:

(1) The motor vehicle has a valid alternative fuel decal affixed to the front windshield.

(2) The operator has a copy of a completed application for a decal for the motor vehicle, which application was filed with the department not more than thirty (30) days before the sale of the fuel.

As added by P.L.212-2014, SEC.9.

IC 6-7

ARTICLE 7. TOBACCO TAXES

IC 6-7-1

Chapter 1. Cigarette Tax

IC 6-7-1-0.3

Use of revenue stamps paid for before July 1, 2002, after June 30, 2002; conditions

Sec. 0.3. Notwithstanding section 14 of this chapter, revenue stamps paid for before July 1, 2002, and in the possession of a distributor may be used after June 30, 2002, only if the full amount of the tax imposed by section 12 of this chapter, as effective after June 30, 2002, and as amended by P.L.192-2002(ss), is remitted to the department under the procedures prescribed by the department.
As added by P.L.220-2011, SEC.160.

IC 6-7-1-0.4

Use of revenue stamps paid for before July 1, 2007, after June 30, 2007; conditions

Sec. 0.4. Notwithstanding section 14 of this chapter, revenue stamps paid for before July 1, 2007, and in the possession of a distributor may be used after June 30, 2007, only if the full amount of the tax imposed by section 12 of this chapter, as effective after June 30, 2007, and as amended by P.L.218-2007, is remitted to the department under the procedures prescribed by the department.
As added by P.L.220-2011, SEC.161.

IC 6-7-1-1

Purpose; liability for tax; separation of price and tax

Sec. 1. It is the intent and purpose of this chapter to levy a tax on all cigarettes sold, used, consumed, handled, or distributed within this state, and to collect the tax from the person who first sells, uses, consumes, handles, or distributes the cigarettes. It is further the intent and purpose of this chapter that whenever any cigarettes are given for advertising or any purpose whatsoever, they shall be taxed in the same manner as if they were sold, used, consumed, handled, or distributed in this state. Notwithstanding any other provisions contained in this chapter, the liability for the excise taxes imposed by this chapter shall be conclusively presumed to be on the retail purchaser or ultimate consumer, precollected for convenience and facility only. When such taxes are paid by any other person, such payment shall be considered as an advance payment and shall be added to the price of the cigarettes and recovered from the ultimate consumer or user. Distributors, wholesalers, or retailers may state the amount of the tax separately from the price of such cigarettes on all price display signs, sales or delivery slips, bills, and statements which advertise or indicate the price of such cigarettes.
(Formerly: Acts 1947, c.222, s.1; Acts 1963(ss), c.37, s.1.) As amended by P.L.2-1988, SEC.20.

IC 6-7-1-2
"Cigarette" defined

Sec. 2. Unless the context requires otherwise, "cigarette" shall mean and include any roll for smoking made wholly or in part of tobacco, irrespective of size or shape and irrespective of tobacco being flavored, adulterated, or mixed with any other ingredient, where such roll has a wrapper or cover made of paper or any other material. Provided the definition in this section shall not be construed to include cigars. Excepting where context clearly shows that cigarettes alone are intended, the term "cigarettes" shall mean and include cigarettes, cigarette papers or wrappers, and tubes upon which a tax is imposed by sections 12 and 13 of this chapter.
(Formerly: Acts 1947, c.222, s.2.) As amended by P.L.2-1988, SEC.21.

IC 6-7-1-3
"Individual package" defined

Sec. 3. Unless the context requires otherwise, "individual package" shall mean and include every individual packet, box or other container used to contain or to convey cigarettes to the consumer. It shall also mean and include books and sets of papers, wrappers or tubes.
(Formerly: Acts 1947, c.222, s.3.) As amended by Acts 1980, P.L.60, SEC.1.

IC 6-7-1-4
"Person" or "company" defined

Sec. 4. Unless the context hereof requires otherwise, the term "person" or the term "company," herein used interchangeably, means and includes any individual, assignee, receiver, commissioner, fiduciary, trustee, executor, administrator, institution, bank, consignee, firm, partnership, limited liability company, joint venture, pool, syndicate, bureau, association, cooperative association, society, club, fraternity, sorority, lodge, corporation, municipal corporation or any other political subdivision of the state engaged in private or proprietary activities or business, estate, trust, or any other group or combination acting as a unit, and the plural as well as the singular number, unless the intention to give a more limited meaning is disclosed by the context.
(Formerly: Acts 1947, c.222, s.4.) As amended by P.L.8-1993, SEC.101.

IC 6-7-1-5
"Department" defined

Sec. 5. Unless the context hereof requires otherwise, "department" shall mean the Indiana department of state revenue and its duly authorized assistants and employees.
(Formerly: Acts 1947, c.222, s.5; Acts 1963(ss), c.37, s.2.) As amended by Acts 1980, P.L.61, SEC.12.

IC 6-7-1-6
"Distributor" defined

Sec. 6. Unless the context requires otherwise, "distributor" shall mean and include every person who sells, barters, exchanges, or distributes cigarettes in the state of Indiana to retail dealers for the purpose of resale, or who purchases cigarettes directly from a manufacturer of cigarettes, or who purchases for resale cigarettes directly from a manufacturer of cigarettes, or from a wholesaler, jobber, or distributor outside of the state of Indiana who is not a distributor holding a registration certificate issued under this chapter.
(Formerly: Acts 1947, c.222, s.6.) As amended by P.L.2-1988, SEC.22.

IC 6-7-1-7
"Retailer" defined

Sec. 7. Unless the context hereof requires otherwise, "retailer" shall mean every person, other than a distributor, who purchases, sells, offers for sale, or distributes cigarettes, to consumers or to any person for any purpose other than resale, irrespective of quantity or amount, or the number of sales.
(Formerly: Acts 1947, c.222, s.7.)

IC 6-7-1-8
"Consumption", "consumer", and "consume" defined

Sec. 8. Unless the context hereof requires otherwise, "consumption" shall mean the possession for use or the use of a cigarette or cigarettes for the purpose of smoking the same; the term "consumer" shall mean the person so using the same; and the term "consume" shall mean so to use the same.
(Formerly: Acts 1947, c.222, s.8.)

IC 6-7-1-9
"Stamps" defined

Sec. 9. Unless the context requires otherwise, "stamps" shall mean the stamps printed, manufactured, or made by authority of the department, as provided in this chapter, and issued, sold, or circulated by it and by the use of which the tax levied under this chapter is paid, or any impression, indicium, or character imprinted upon individual packages of cigarettes, cigarette papers, or tubes by a metered stamping machine or other device such as may be authorized by the department for use by the holder of a certificate under the provisions of this chapter and by the use of which the tax levied under this chapter shall be paid.
(Formerly: Acts 1947, c.222, s.9.) As amended by P.L.2-1988, SEC.23.

IC 6-7-1-10
"Counterfeit stamp" defined

Sec. 10. Unless the context requires otherwise, "counterfeit stamp" shall mean any stamp, label, print, indicium, or character which

evidences, or purports to evidence the payment of any tax levied by this chapter, and which stamp, label, print, indicium, or character has not been printed, manufactured, or made by authority of the department as provided in this chapter, and issued, sold, or circulated by it.
(Formerly: Acts 1947, c.222, s.10.) As amended by P.L.2-1988, SEC.24.

IC 6-7-1-11
"Drop shipment" defined

Sec. 11. Unless the context hereof requires otherwise, "drop shipment" shall mean any shipment billed to one other than the person receiving such shipment.
(Formerly: Acts 1947, c.222, s.10 1/2.)

IC 6-7-1-12
Rate of taxation

Sec. 12. (a) The following taxes are imposed, and shall be collected and paid as provided in this chapter, upon the sale, exchange, bartering, furnishing, giving away, or otherwise disposing of cigarettes within the state of Indiana:

(1) On cigarettes weighing not more than three (3) pounds per thousand (1,000), a tax at the rate of four and nine hundred seventy-five thousandths cents ($0.04975) per individual cigarette.

(2) On cigarettes weighing more than three (3) pounds per thousand (1,000), a tax at the rate of six and six hundred twelve thousandths cents ($0.06612) per individual cigarette, except that if any cigarettes weighing more than three (3) pounds per thousand (1,000) shall be more than six and one-half (6 1/2) inches in length, they shall be taxable at the rate provided in subdivision (1), counting each two and three-fourths (2 3/4) inches (or fraction thereof) as a separate cigarette.

(b) Upon all cigarette papers, wrappers, or tubes, made or prepared for the purpose of making cigarettes, which are sold, exchanged, bartered, given away, or otherwise disposed of within the state of Indiana (other than to a manufacturer of cigarettes for use by him in the manufacture of cigarettes), the following taxes are imposed, and shall be collected and paid as provided in this chapter:

(1) On fifty (50) papers or less, a tax of one-half cent ($0.005).

(2) On more than fifty (50) papers but not more than one hundred (100) papers, a tax of one cent ($0.01).

(3) On more than one hundred (100) papers, one-half cent ($0.005) for each fifty (50) papers or fractional part thereof.

(4) On tubes, one cent ($0.01) for each fifty (50) tubes or fractional part thereof.

(Formerly: Acts 1947, c.222, s.11; Acts 1963(ss), c.37, s.3; Acts 1965, c.225, s.1.) As amended by Acts 1977(ss), P.L.9, SEC.3; P.L.96-1987, SEC.2; P.L.192-2002(ss), SEC.135; P.L.218-2007, SEC.2.

IC 6-7-1-13
Effective date

Sec. 13. There is levied, assessed, and imposed, and shall be collected and paid as provided in this chapter, upon the use, consumption, or possession for use of cigarettes within the state of Indiana, taxes at the rates set forth and in the manner provided in section 12 of this chapter. Provided, that the tax levied, assessed, and imposed by this section shall not be applicable to the use, consumption, or possession for use of cigarettes upon which the tax levied, assessed, and imposed by the provisions of section 12 of this chapter has been paid.

(Formerly: Acts 1947, c.222, s.12.) As amended by P.L.2-1988, SEC.25.

IC 6-7-1-13.5
Carriers; liability for unpaid taxes

Sec. 13.5. A common carrier is liable for any unpaid taxes imposed under this chapter on:

(1) cigarettes, where the carrier takes possession of the cigarettes because they were damaged or they were not accepted by the consignee, and where the carrier does not return the cigarettes to the manufacturer; and

(2) cigarettes that are lost or stolen in transit.

As added by Acts 1980, P.L.60, SEC.2.

IC 6-7-1-14
Stamps; evidence of tax paid

Sec. 14. All taxes levied, assessed, and imposed by this chapter shall be paid and the payment thereof evidenced by the purchase of stamps and by affixing the same to the individual packages, cigarette papers, wrappers, and tubes and duly cancelling said stamps, as provided in this chapter, but there shall be no further tax assessed, imposed, or collected by virtue of this chapter upon the sale or use of any package of cigarettes, cigarette papers, wrappers, or tubes upon which said stamps have been previously affixed as provided by this chapter.

(Formerly: Acts 1947, c.222, s.13.) As amended by P.L.2-1988, SEC.26.

IC 6-7-1-15
Department as official agent of state to administer and enforce chapter; salaries and expenses; powers

Sec. 15. (a) The department is the official agent of the state for the administration and enforcement of this chapter. A sufficient sum to pay salaries and expenses is appropriated to the department out of the monies received by virtue of this chapter.

(b) The department may issue registration certificates, upon the terms and conditions provided in this chapter, and may revoke or suspend the same upon the violation of this chapter by the holder of such a certificate.

(c) The department may apply for membership in the National Tobacco Tax Association.

(d) The department may design and have printed or manufactured stamps of sizes and denominations to be affixed to each individual package. The stamps shall be firmly affixed on each individual package in such a manner that the stamps can not be removed without being mutilated or destroyed; however, the department may by regulation designate some other manner for cancelation of stamps. In addition to the stamps, the department may by rules and regulations authorize distributors to use metered stamping machines or other devices which will imprint distinctive indicia evidencing the payment of the tax upon each individual package. The machines shall be constructed in such a manner as will accurately record or meter the number of impressions or tax stamps made. The tax meter machines or other devices shall be kept available at all reasonable times for inspection by the department, and the machines shall be maintained in proper operating condition. A person who knowingly tampers with the printing or recording mechanism of such a machine commits a Class B misdemeanor.

(Formerly: Acts 1947, c.222, s.14.) As amended by Acts 1978, P.L.2, SEC.644; Acts 1980, P.L.61, SEC.13.

IC 6-7-1-15.1

Metered tax stamping machines; recharging

Sec. 15.1. If at least one (1) financial institution in each county applies to the department and fulfills the bonding requirements established by the department, the department shall approve at least one (1) financial institution in each county to recharge the metered stamping machines referred to in section 15 of this chapter.

As added by Acts 1979, P.L.81, SEC.1.

IC 6-7-1-16

Distributor's registration certificate; application fee; bond; refunds

Sec. 16. (a) Each distributor shall obtain from the department a registration certificate. Application for a registration certificate shall be made in writing upon forms prescribed by the department and shall be signed and verified by the distributor.

(b) The registration certificate shall be issued only upon payment to the department of an annual fee of five hundred dollars ($500) which shall accompany the application for the registration certificate. In addition, a distributor must concurrently file a bond or a letter of credit:

(1) in a form and with a surety or financial institution approved by the department;

(2) in the amount of one thousand dollars ($1,000);

(3) naming the state as obligee; and

(4) conditioned upon the payment of taxes, damages, fines, penalties, or costs adjudged against the holder of the registration certificate by reason of the violation of any of the provisions of this chapter.

(c) All registration certificates shall be personal, nontransferable, and valid for one (1) year from date of issuance unless revoked or suspended for cause by the department.

(d) If business is transacted at two (2) or more places by one (1) distributor, a separate registration certificate shall be required for each place of business where he operates as a distributor (as defined by section 6 of this chapter).

(e) Each certificate shall:

(1) be numbered;

(2) show the name and address of the distributor; and

(3) be posted in a conspicuous place at the place of business for which it is issued.

(f) Any person who changes his or her place of business shall return his or her certificate and the department shall issue a new certificate for the new place of business free of charge.

(g) Any certificate issued under this section may be surrendered to the department at any time prior to its expiration, and the department shall refund an amount of money which bears the same proportion to the fee originally paid therefor as the unexpired period of the permit bears to one (1) year. However, no refund shall be allowed in the event that a certificate is revoked as provided in this chapter, and no refund shall be made in excess of four hundred dollars ($400).

(Formerly: Acts 1947, c.222, s.15; Acts 1969, c.324, s.1.) As amended by P.L.2-1988, SEC.27; P.L.49-1992, SEC.1.

IC 6-7-1-17

Distributors as agents of state for collection of tax; purchase of revenue stamps; execution of bond

Sec. 17. (a) Distributors who hold certificates and retailers shall be agents of the state in the collection of the taxes imposed by this chapter and the amount of the tax levied, assessed, and imposed by this chapter on cigarettes sold, exchanged, bartered, furnished, given away, or otherwise disposed of by distributors or to retailers. Distributors who hold certificates shall be agents of the department to affix the required stamps and shall be entitled to purchase the stamps from the department at a discount of one and two-tenths cents ($0.012) per individual package of cigarettes as compensation for their labor and expense.

(b) The department may permit distributors who hold certificates and who are admitted to do business in Indiana to pay for revenue stamps within thirty (30) days after the date of purchase. However, the privilege is extended upon the express condition that:

(1) except as provided in subsection (c), a bond or letter of credit satisfactory to the department, in an amount not less than the sales price of the stamps, is filed with the department;

(2) proof of payment is made of all property taxes, excise taxes, and listed taxes (as defined in IC 6-8.1-1-1) for which any such distributor may be liable; and

(3) payment for the revenue stamps must be made by electronic

funds transfer (as defined in IC 4-8.1-2-7).

The bond or letter of credit, conditioned to secure payment for the stamps, shall be executed by the distributor as principal and by a corporation duly authorized to engage in business as a surety company or financial institution in Indiana.

(c) If a distributor has at least five (5) consecutive years of good credit standing with the state, the distributor shall not be required to post a bond or letter of credit under subsection (b).

(Formerly: Acts 1947, c.222, s.16; Acts 1963(ss), c.37, s.4; Acts 1965, c.225, s.7.) As amended by P.L.2-1988, SEC.28; P.L.49-1992, SEC.2; P.L.192-2002(ss), SEC.136; P.L.252-2003, SEC.1; P.L.211-2007, SEC.36; P.L.218-2007, SEC.3; P.L.131-2008, SEC.23.

IC 6-7-1-17.5

Credit against the cost of certain stamps

Sec. 17.5. (a) Except as otherwise provided in this section, in determining the amount to pay for stamps purchased under this chapter, a distributor is entitled to a credit against the cost of stamps purchased in an amount equal to the distributor's receivables that:

(1) are attributable to stamps purchased by the distributor under this chapter and affixed to cigarettes that were transferred to a retailer;

(2) resulted from a transfer of cigarettes to a retailer in which the distributor did not collect the tax imposed by this chapter from the retailer; and

(3) were written off as an uncollectible debt for federal tax purposes under Section 166 of the Internal Revenue Code after December 31, 2006.

(b) If a distributor claims a credit under subsection (a) and subsequently collects all of the associated receivable, the distributor shall remit the entire amount of the credit previously claimed under subsection (a) to the department within thirty (30) days of collection.

(c) If a distributor claims a credit under subsection (a) and subsequently collects part of the associated receivable, the distributor shall remit the amount determined under STEP SIX of the following formula to the department within thirty (30) days after collection:

STEP ONE: Determine the part of the associated receivable before collection that is attributable to the taxable price of the products subject to the tax imposed by this chapter.

STEP TWO: Determine the part of the associated receivable before collection that is attributable to the amount paid by the distributor for the stamps affixed to the products that were transferred to the retailer.

STEP THREE: Determine the sum of:

(A) the STEP ONE result; plus

(B) the STEP TWO result.

STEP FOUR: Determine the lesser of:

(A) the amount collected; or

(B) the STEP THREE result.

STEP FIVE: Divide:
(A) the STEP TWO result; by
(B) the STEP THREE result.
STEP SIX: Multiply:
(A) the STEP FOUR result; by
(B) the STEP FIVE result.

(d) If the amount of the credit to which a distributor is entitled under subsection (a) exceeds the cost of the stamps that the distributor seeks to purchase, the remainder of the credit may be applied to future purchases of stamps by the distributor. For any uncollectible receivable used to establish a credit under subsection (a), the amount of the credit that is available to be applied to a purchase of stamps is the total amount of the credit determined under subsection (a) reduced by the sum of partial credits applied by the distributor to previous purchases of stamps.

(e) As used in this subsection, "affiliated group" means any combination of the following:

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

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

The right to a credit under this section is not assignable to an individual or entity that is not part of the same affiliated group as the assignor.

As added by P.L.211-2007, SEC.37.

IC 6-7-1-18

Affixing stamps; invoices

Sec. 18. Every distributor, upon the receipt of cigarettes taxed under this chapter, shall cause each individual package to have the requisite denomination and amount of stamps firmly affixed. Every retailer, upon receipt of cigarettes not having the proper amount of stamps firmly affixed, to each individual package, or stamped by a meter stamping machine, by a distributor shall stamp or firmly affix stamps immediately on each individual package. Provided, however, that any distributor engaged in interstate business, shall be permitted to set aside such part of his stock as may be necessary for the conduct of such interstate business without affixing the stamps required by this chapter. Every distributor, at the time of shipping or delivering any cigarettes, shall make a duplicate invoice, showing complete details of each transaction, and shall retain the duplicate subject to the inspection by the department or its agent. Every distributor shall include with each shipment or delivery of cigarettes an invoice

showing complete details of the transactions. Every retailer shall retain for not less than two (2) weeks the invoice included with each shipment or delivery of cigarettes subject to inspection by the department or its agent. A retailer may request a duplicate invoice from a distributor.
(Formerly: Acts 1947, c.222, s.17.) As amended by P.L.2-1988, SEC.29; P.L.252-2003, SEC.2.

IC 6-7-1-19
Distributors' records and reports

Sec. 19. (a) Every distributor of cigarettes shall keep and preserve for three (3) years records and invoices, showing the purchase and sale of all cigarettes. Such distributors shall also keep separate invoices, and records of stamps purchased. All the aforementioned records, invoices, and stocks of cigarettes and unused stamps on hand shall be open to inspection by the department at all reasonable times. Provided, however, that all distributors, within fifteen (15) days after the first day of each month, shall file with the department a report of all drop shipment sales made by them to other distributors within this state during the preceding month, which report shall give the name and address of the distributor, the kind and quantity of the sales, and their dates of delivery. Provided, further, however, that every distributor engaged in interstate business shall, within ten (10) days after the first day of each month, file with the department a report of all such interstate sales made during the preceding month, which report shall give the name and address of the person to whom sold, the kind and quantity of the sales, and their dates of delivery.

(b) All drop shipments made by manufacturers of cigarettes within the state of Indiana must be shipped and billed through a regularly licensed distributor licensed by the state of Indiana (as defined in section 6 of this chapter).
(Formerly: Acts 1947, c.222, s.18.) As amended by P.L.2-1988, SEC.30.

IC 6-7-1-19.5
Transporting cigarettes without stamps affixed; invoice or delivery ticket requirement; exceptions

Sec. 19.5. A person who transports cigarettes which do not bear an Indiana tax stamp over Indiana highways shall carry invoices or delivery tickets for those cigarettes containing the following information:

(1) the name and address of the consignor or seller;
(2) the name and address of the consignee or purchaser;
(3) the quantity and brands of the cigarettes; and
(4) the name and address of the person liable for the tax imposed on those cigarettes under this chapter.

However, this section does not apply to licensed distributors, to common carriers, or to employees of the state or federal government who are performing their official duties in the enforcement of this chapter.

As added by Acts 1980, P.L.60, SEC.3.

IC 6-7-1-20
Repealed

(Repealed by Acts 1978, P.L.2, SEC.656.)

IC 6-7-1-21
Selling packages with counterfeit stamps; affixing used stamps; offenses

Sec. 21. A distributor or other person who knowingly sells or offers for sale an individual package, having affixed thereto any fraudulent, spurious, imitation, or counterfeit stamp, or stamp which has been previously affixed, commits a Level 5 felony. A person who knowingly affixes to an individual package either a fraudulent, spurious, imitation, or counterfeit stamp or a stamp which has previously been affixed to an individual package commits a Level 5 felony.

(Formerly: Acts 1947, c.222, s.20.) As amended by Acts 1978, P.L.2, SEC.645; Acts 1980, P.L.60, SEC.4; P.L.158-2013, SEC.101.

IC 6-7-1-22
Record keeping violations; offense

Sec. 22. A person required by this chapter to keep records who recklessly:

(1) fails to keep the record so required;
(2) falsifies the records; or
(3) fails to safely preserve the records for the period of three (3) years in such a manner as to insure permanency and accessibility for inspection by the department;

commits a Class C misdemeanor.

(Formerly: Acts 1947, c.222, s.21.) As amended by Acts 1978, P.L.2, SEC.646.

IC 6-7-1-23
Other violations; offense

Sec. 23. A person who recklessly violates any provision of this chapter for which no other provision for punishment has been made commits a Class B misdemeanor.

(Formerly: Acts 1947, c.222, s.22.) As amended by Acts 1978, P.L.2, SEC.647.

IC 6-7-1-24
Sale or possession of cigarettes without payment of tax or stamps affixed; seizure; forfeiture; redemption penalty; offenses; exceptions

Sec. 24. (a) Whenever the department discovers any cigarettes which are subject to tax under this chapter and upon which the tax has not been paid or the stamps affixed as required, it may seize and take possession of the cigarettes together with any vending machine or receptacle in which they are held for sale. The seized cigarettes,

vending machine, or receptacle, not including money contained in the vending machine or receptacle, shall be forfeited to the state. The department may, within a reasonable time after the seizure:

(1) sell the forfeited cigarettes and vending machines or receptacles at public auction, but the department shall require the purchaser to affix the proper amount of the stamps to the cigarettes upon delivery to the purchaser;

(2) permit the person from whom the cigarettes were seized to redeem the cigarettes and any vending machine or receptacle seized therewith, by the payment of the tax due together with a penalty of fifty percent (50%) and the costs incurred in the proceeding; or

(3) destroy the confiscated cigarettes and vending machine or receptacle.

(b) The confiscation, destruction, sale, or redemption of cigarettes does not relieve any person of criminal penalties imposed for violation of this chapter.

(c) Any person who sells or holds for sale any packages of cigarettes not bearing Indiana tax stamps commits a Class A misdemeanor. This subsection does not apply to distributors or to employees of the department who are performing their official duties.

(d) The possession of more than one thousand five hundred (1,500) cigarettes in packages not bearing Indiana tax stamps by any person other than a distributor, a common carrier, or an employee of the state or federal government performing the employee's official duties in the enforcement of this chapter constitutes prima facie evidence that the cigarettes are possessed for the purpose of sale.

(e) A person who knowingly possesses more than twelve thousand (12,000) cigarettes not bearing Indiana tax stamps and who has previously been convicted of a misdemeanor for possession or sale of unstamped cigarettes commits a Level 6 felony.

(Formerly: Acts 1947, c.222, s.23; Acts 1969, c.324, s.2.) As amended by Acts 1978, P.L.2, SEC.648; Acts 1980, P.L.60, SEC.5; P.L.71-1993, SEC.14; P.L.158-2013, SEC.102.

IC 6-7-1-25

Search warrants for untaxed cigarettes

Sec. 25. When the department has reason to believe that any cigarettes are being kept, sold, offered for sale, or given away in violation of this chapter, an officer of the department may make affidavit of such fact, describing the place or thing to be searched before a court of competent jurisdiction, and the judge thereof shall issue a search warrant directed to the sheriff, constable, police officer, or authorized agent of the department commanding him to search any place or vehicle that may be designated in the affidavit and search warrant, and to seize any cigarettes so possessed and to hold the same, and to arrest the person in control or possession of the same. If upon the return of the warrant it shall appear that cigarettes were seized the same shall be sold according to law.

(Formerly: Acts 1947, c.222, s.24.) As amended by P.L.2-1988,

SEC.31.

IC 6-7-1-26
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-7-1-27
Mutilated stamps; replacement; unused stamps; refund
Sec. 27. Where stamps or individual packages to which stamps have been affixed have become mutilated, or otherwise unfit for use, distributors shall notify the department, and, if an investigation discloses that said stamps have not evidenced a taxable transaction, replacement stamps shall be supplied to the distributor without cost. Any unused stamps may be returned to the department by the distributor who purchased such stamps, and the department shall then refund to such distributor an amount equal to that paid therefor.
(Formerly: Acts 1947, c.222, s.26.)

IC 6-7-1-28
Repealed
(Repealed by Acts 1977, P.L.89, SEC.6.)

IC 6-7-1-28.1
Taxes, registration fees, fines, and penalties collected; disposition
Sec. 28.1. The taxes, registration fees, fines, or penalties collected under this chapter shall be deposited in the following manner:

(1) Four and twenty-two hundredths percent (4.22%) of the money shall be deposited in a fund to be known as the cigarette tax fund.

(2) Six-tenths percent (0.6%) of the money shall be deposited in a fund to be known as the mental health centers fund.

(3) The following amount of the money shall be deposited in the state general fund:

(A) After June 30, 2011, and before July 1, 2013, sixty and twenty-four hundredths percent (60.24%).

(B) After June 30, 2013, fifty-six and twenty-four hundredths percent (56.24%).

(4) Five and forty-three hundredths percent (5.43%) of the money shall be deposited into the pension relief fund established in IC 5-10.3-11.

(5) Twenty-seven and five hundredths percent (27.05%) of the money shall be deposited in the Indiana check-up plan trust fund established by IC 12-15-44.2-17.

(6) Two and forty-six hundredths percent (2.46%) of the money shall be deposited in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations, for provider reimbursements.

(7) The following amount of the money shall be deposited in the state retiree health benefit trust fund established by IC 5-10-8-8.5 as follows:

(A) Before July 1, 2011, five and seventy-four hundredths percent (5.74%).

(B) After June 30, 2011, and before July 1, 2013, zero percent (0%).

(C) After June 30, 2013, four percent (4%).

The money in the cigarette tax fund, the mental health centers fund, the Indiana check-up plan trust fund, or the pension relief fund at the end of a fiscal year does not revert to the state general fund. However, if in any fiscal year, the amount allocated to a fund under subdivision (1) or (2) is less than the amount received in fiscal year 1977, then that fund shall be credited with the difference between the amount allocated and the amount received in fiscal year 1977, and the allocation for the fiscal year to the fund under subdivision (3) shall be reduced by the amount of that difference. Money deposited under subdivisions (6) through (7) may not be used for any purpose other than the purpose stated in the subdivision.

As added by Acts 1977, P.L.89, SEC.1. Amended by Acts 1977(ss), P.L.9, SEC.4; Acts 1981, P.L.11, SEC.37; P.L.96-1987, SEC.3; P.L.18-1994, SEC.39; P.L.192-2002(ss), SEC.137; P.L.218-2007, SEC.4; P.L.3-2008, SEC.66; P.L.182-2009(ss), SEC.246; P.L.229-2011, SEC.95; P.L.205-2013, SEC.128.

IC 6-7-1-29
Repealed

(Repealed by Acts 1977, P.L.89, SEC.6.)

IC 6-7-1-29.1
Cigarette tax fund; annual appropriation to department of natural resources; use

Sec. 29.1. (a) One-sixth (1/6) of the money in the cigarette tax fund is annually appropriated to the department of natural resources.

(b) The department shall use at least two percent (2%) but not more than twenty-one percent (21%) of the money appropriated to it under this section for:

(1) flood control and water resource projects, including multiple-purpose reservoirs; and

(2) applied research related to technical water resource problems.

The department may use the money to plan, design, acquire land for, or construct the projects.

(c) The department shall use at least thirty-six percent (36%) of the money appropriated to it under this section to construct, reconstruct, rehabilitate, or repair general conservation facilities or to acquire land.

(d) The department shall use at least forty-three percent (43%) of the money appropriated to the department under this section for soil conservation and lake and river enhancement under IC 14-32.

As added by Acts 1977, P.L.89, SEC.2. Amended by P.L.96-1987, SEC.4; P.L.70-1991, SEC.5; P.L.80-1993, SEC.6; P.L.1-1995, SEC.52; P.L.241-2005, SEC.1.

IC 6-7-1-29.3
Cigarette tax fund; deposit to clean water fund

Sec. 29.3. One-sixth (1/6) of the money in the cigarette tax fund shall be deposited in the clean water Indiana fund established by IC 14-32-8-6.

As added by P.L.241-2005, SEC.2.

IC 6-7-1-30
Repealed

(Repealed by Acts 1977, P.L.89, SEC.6.)

IC 6-7-1-30.1
Cigarette tax fund; annual appropriation to local governmental entities; allocation; disposition

Sec. 30.1. (a) Two-thirds (2/3) of the money in the cigarette tax fund is annually appropriated to the cities and towns of this state and to certain local governmental entities.

(b) The amount which is allocated to each city or town under this section equals the product of:

(1) the total amount appropriated under subsection (a); multiplied by

(2) a fraction, the numerator of which is the population of the city or town, and the denominator of which is the total population of all the cities and towns of Indiana.

(c) The auditor of state shall calculate and distribute the amount allocated to each city or town under this section on or before June 1 and December 1 of each year. To make these semiannual distributions, the auditor of state shall issue warrants drawn on the cigarette tax fund to the officials designated in subsection (d) or (e).

(d) For a consolidated city, or a city or town which is located in the same county as the consolidated city, the auditor of state shall issue a warrant for:

(1) three-fourteenths (3/14) of the money allocated to the city or town under subsection (b) to the fiscal officer of the city or town; and

(2) the remaining eleven-fourteenths (11/14) of the money to the treasurer of that county.

The fiscal officer of the city or town shall deposit the money distributed to him under this subsection in the city's or town's general fund. The county treasurer shall annually deposit three hundred fifty thousand dollars ($350,000) which he receives under this subsection in the capital improvement bond fund of the county. The remainder of the money which the county treasurer receives under this subsection is appropriated to the department of transportation of the consolidated city. The county treasurer shall serve as custodian of the money so appropriated to the department.

(e) For a city or town which is not located in the same county as a consolidated city, the auditor of state shall issue a warrant for the total amount allocated to the city or town under subsection (b) to the fiscal officer of the city or town. The fiscal officer shall deposit

three-fourteenths (3/14) of the money in the city's or town's general fund, and he shall deposit the remaining eleven-fourteenths (11/14) of the money in the city's or town's cumulative capital improvement fund.

As added by Acts 1977, P.L.89, SEC.3. Amended by Acts 1981, P.L.11, SEC.38; P.L.96-1987, SEC.5; P.L.2-1990, SEC.9.

IC 6-7-1-30.2

Appropriations for local health funds

Sec. 30.2. (a) There is annually appropriated to the state department of health one hundred ninety thousand dollars ($190,000) from the state general fund for the purpose of providing supplementary funding for the WIC (Women, Infants, and Children) program (42 U.S.C. 1786) in Indiana. The appropriation shall be administered by the nutrition division of the state department of health and shall be allocated to fund local WIC programs.

(b) There is annually appropriated to the state department of health one hundred ninety thousand dollars ($190,000) from the state general fund for the purpose of providing supplementary funding for maternal and child health services. The appropriation shall be administered by the maternal and child health division of the state department of health. The funds appropriated under this subsection must be used to:

(1) supplement federal Maternal and Child Health Services Block Grant funds provided under 42 U.S.C. 701 et seq. for the purpose of establishing and maintaining programs of pregnancy care in underserved areas of Indiana; and

(2) provide funding for the hospital and medical expenses connected with the delivery of children whose parents are eligible for services that may be reimbursed with funds provided under the federal Maternal and Child Health Services Block Grant Program (42 U.S.C. 701 et seq.).

(c) There is annually transferred to the school age child care project fund established under IC 12-17-12-7 from the state general fund five hundred fifty thousand dollars ($550,000) for carrying out the purposes of the school age child care project.

As added by P.L.96-1987, SEC.6. Amended by P.L.71-1988, SEC.1; P.L.20-1992, SEC.3; P.L.21-1992, SEC.2; P.L.1-1993, SEC.42; P.L.82-1993, SEC.1.

IC 6-7-1-30.5

Appropriations to local health maintenance fund

Sec. 30.5. (a) There is annually appropriated to the local health maintenance fund established by IC 16-46-10 two million four hundred thirty thousand dollars ($2,430,000) from the state general fund to provide funds for annual distribution to local boards of health in accordance with IC 16-46-10-2 to enable local boards of health to provide basic health services.

(b) The state department of health may retain annually a maximum of fifty thousand dollars ($50,000) of the total appropriation to the

local health maintenance fund under subsection (a) to pay administrative expenses incurred by the state department of health in distributing the funds to local health departments.
As added by P.L.82-1993, SEC.2. Amended by P.L.47-1994, SEC.1; P.L.224-2003, SEC.119.

IC 6-7-1-31
Repealed
(Repealed by Acts 1977, P.L.89, SEC.6.)

IC 6-7-1-31.1
Cities and towns; cumulative capital improvement fund; use
Sec. 31.1. (a) The fiscal body of each city and the fiscal body of each town shall, by ordinance or resolution, establish a cumulative capital improvement fund for the city or town. Except as otherwise provided in subsection (c), the city or town may only use money in its cumulative capital improvement fund:
(1) to purchase land, easements, or rights-of-way;
(2) to purchase buildings;
(3) to construct or improve city owned property;
(4) to design, develop, purchase, lease, upgrade, maintain, or repair:
(A) computer hardware;
(B) computer software;
(C) wiring and computer networks; and
(D) communications access systems used to connect with computer networks or electronic gateways;
(5) to pay for the services of full-time or part-time computer maintenance employees;
(6) to conduct nonrecurring in-service technology training of unit employees;
(7) to undertake Internet application development;
(8) to retire general obligation bonds issued by the city or town for one (1) of the purposes stated in subdivision (1), (2), (3), (4), (5), or (6); or
(9) for any other governmental purpose for which money is appropriated by the fiscal body of the city or town.
(b) The money in the city's or town's cumulative capital improvement fund does not revert to its general fund.
(c) A city or town may at any time, by ordinance or resolution, transfer to:
(1) its general fund; or
(2) an authority established under IC 36-7-23;
money derived under this chapter that has been deposited in the city's or town's cumulative capital improvement fund.
As added by Acts 1977, P.L.89, SEC.4. Amended by P.L.8-1989, SEC.31; P.L.346-1989(ss), SEC.4; P.L.1-1990, SEC.83; P.L.140-2002, SEC.1; P.L.113-2010, SEC.69.

IC 6-7-1-32

Repealed

(Repealed by Acts 1977, P.L.89, SEC.6.)

IC 6-7-1-32.1

Mental health centers fund; annual appropriation to division; use of money by division

Sec. 32.1. (a) The money in the mental health centers fund is annually appropriated to the division of mental health and addiction.

(b) The division may use the money:

(1) to pay the state's share of the cost of acquiring sites for, constructing, remodeling, equipping, or operating community mental health centers; and

(2) to provide grants for a partial facility if there is a reasonable assurance that the facility will provide community mental health services within five (5) years after it provides any partial service to the public.

As added by Acts 1977, P.L.89, SEC.5. Amended by P.L.28-1985, SEC.4; P.L.337-1989(ss), SEC.3; P.L.2-1992, SEC.71; P.L.40-1994, SEC.2; P.L.6-1995, SEC.2; P.L.215-2001, SEC.11.

IC 6-7-1-33

Repealed

(Repealed by Acts 1977, P.L.89, SEC.6.)

IC 6-7-1-34

Repealed

(Repealed by Acts 1977, P.L.89, SEC.6.)

IC 6-7-1-35

Tax evasion; unlawful advertising

Sec. 35. It shall be unlawful to procure or induce the evasion of any tax imposed by this chapter. It shall be unlawful for any person to advertise, print, publish, or circulate through or by use of any medium of communication any advertisement or offer to sell cigarettes within or into the state of Indiana, in which it is stated or implied that any taxes provided for in this chapter will not or need not be paid.

(Formerly: Acts 1947, c.222, s.28.) As amended by P.L.2-1988, SEC.32.

IC 6-7-1-36

Evasion of tax; offense

Sec. 36. It is a Class C misdemeanor for a person to make any false report or false statement in any report, with intent to defraud the state or to evade the payment of the tax, or any part thereof, imposed by this chapter.

(Formerly: Acts 1947, c.222, s.28a; Acts 1969, c.324, s.3.) As amended by Acts 1978, P.L.2, SEC.649.

IC 6-7-1-37

Electronic filing of reports and remitting of taxes

Sec. 37. (a) All reports required to be filed under this chapter must be filed in an electronic format prescribed by the department.

(b) All taxes required to be remitted under this chapter must be remitted in an electronic format prescribed by the department.

As added by P.L.166-2014, SEC.33.

IC 6-7-2

Chapter 2. Tobacco Products Tax

IC 6-7-2-1

"Department"

Sec. 1. As used in this chapter, "department" refers to the department of state revenue and includes its employees and agents.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-2

"Distributor"

Sec. 2. As used in this chapter, "distributor" means a person who:

(1) manufactures, sells, barters, exchanges, or distributes tobacco products in Indiana to retail dealers for the purpose of resale;

(2) purchases tobacco products directly from a manufacturer of tobacco products; or

(3) purchases for resale tobacco products from a wholesaler, jobber, or distributor outside of Indiana who is not a distributor holding a license issued under this chapter.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-2.1

"Moist snuff"

Sec. 2.1. As used in this chapter, "moist snuff" means any finely cut, ground, or powdered tobacco that is not intended to be:

(1) smoked; or

(2) placed in the nasal cavity.

As added by P.L.172-2011, SEC.81.

IC 6-7-2-3

"Person"

Sec. 3. As used in this chapter, "person" has the meaning set forth in IC 6-7-1-4.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-4

"Retail dealer"

Sec. 4. As used in this chapter, "retail dealer" means a person engaged in the business of selling tobacco products to ultimate consumers.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-5

"Tobacco product"

Sec. 5. As used in this chapter, "tobacco product" means:

(1) any product made from tobacco, other than a cigarette (as defined in IC 6-7-1-2), that is made for smoking, chewing, or both; or

(2) snuff, including moist snuff.

As added by P.L.96-1987, SEC.7. Amended by P.L.172-2011, SEC.82.

IC 6-7-2-6
"Wholesale price"

Sec. 6. As used in this chapter, "wholesale price" means the net price shown on an invoice and at which the manufacturer of the tobacco products sells tobacco products to distributors, excluding any discount or other reduction that is not shown on the invoice.
As added by P.L.96-1987, SEC.7. Amended by P.L.155-2012, SEC.2.

IC 6-7-2-7
Tax on distribution of tobacco products; rate; time of imposition; findings by general assembly

Sec. 7. (a) A tax is imposed on the distribution of tobacco products in Indiana at the rate of:

(1) twenty-four percent (24%) of the wholesale price of tobacco products other than moist snuff; or

(2) for moist snuff, forty cents ($0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce. If the tax calculated for a fractional part of an ounce carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(b) The distributor of the tobacco products, including a person that sells tobacco products through an Internet web site, is liable for the tax imposed under subsection (a). The tax is imposed at the time the distributor:

(1) brings or causes tobacco products to be brought into Indiana for distribution;

(2) manufactures tobacco products in Indiana for distribution; or

(3) transports tobacco products to retail dealers in Indiana for resale by those retail dealers.

(c) The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.
As added by P.L.96-1987, SEC.7. Amended by P.L.192-2002(ss), SEC.138; P.L.234-2007, SEC.201; P.L.172-2011, SEC.83; P.L.205-2013, SEC.129.

IC 6-7-2-8
Distributor's license

Sec. 8. (a) A distributor, including a person that sells tobacco products through an Internet web site, must obtain a license under this section before it distributes tobacco products in Indiana. The department shall issue licenses to applicants that qualify under this section. A license issued under this section is valid for one (1) year unless revoked or suspended by the department and is not transferable.

(b) An applicant for a license under this section must submit proof to the department of the appointment of an agent for service of process in Indiana if the applicant is:

(1) an individual whose principal place of residence is outside Indiana; or

(2) a person, other than an individual, that has its principal place of business outside Indiana.

(c) To obtain or renew a license under this section, a person must:

(1) submit, for each location where it intends to distribute tobacco products, an application that includes all information required by the department;

(2) pay a fee of twenty-five dollars ($25) at the time of application; and

(3) at the time of application, post a bond, issued by a surety company approved by the department, in an amount not less than one thousand dollars ($1,000) and conditioned on the applicant's compliance with this chapter.

(d) If business is transacted at two (2) or more places by one (1) distributor, a separate license must be obtained for each place of business.

(e) Each license must be numbered, show the name and address of the distributor, and be posted in a conspicuous place at the place of business for which it is issued.

(f) If the department determines that a bond provided by a licensee is inadequate, the department may require a new bond in the amount necessary to fully protect the state.

As added by P.L.96-1987, SEC.7. Amended by P.L.205-2013, SEC.130.

IC 6-7-2-9

Change of location; license reissuance

Sec. 9. A distributor that changes its place of business shall return its license, and the department shall issue, free of charge, a new license for the new place of business.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-10

Surrender of license; refund

Sec. 10. A license issued under this chapter may be surrendered to the department at any time before its expiration, and the department shall refund an amount of money that bears the same proportion to the fee originally paid as the unexpired period of the permit bears to one (1) year. No refund may be allowed if a license is suspended or revoked, and no refund may be made that is:

(1) greater than seventy-five dollars ($75); or

(2) less than twenty-five dollars ($25).

As added by P.L.96-1987, SEC.7.

IC 6-7-2-11

Revocation or suspension of license

Sec. 11. The department:

(1) may revoke or suspend a license issued under this chapter for any violation of this chapter or IC 6-7-1-18 by the licensee; and

(2) may not issue a license under this chapter to an applicant within six (6) months after the revocation of that applicant's license.

As added by P.L.96-1987, SEC.7. Amended by P.L.252-2003, SEC.3.

IC 6-7-2-12
Electronic filing of returns and remitting of taxes

Sec. 12. Before the fifteenth day of each month, each distributor liable for the tax imposed by this chapter shall:

(1) file a return with the department that includes all information required by the department including, but not limited to:

(A) name of distributor;
(B) address of distributor;
(C) license number of distributor;
(D) invoice date;
(E) invoice number;
(F) name and address of person from whom tobacco products were purchased or name and address of person to whom tobacco products were sold;
(G) the wholesale price for tobacco products other than moist snuff; and
(H) for moist snuff, the weight of the moist snuff; and

(2) pay the tax for which it is liable under this chapter for the preceding month minus the amount specified in section 13 of this chapter.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

As added by P.L.96-1987, SEC.7. Amended by P.L.172-2011, SEC.84; P.L.166-2014, SEC.34.

IC 6-7-2-13
Collection allowance

Sec. 13. A distributor that files a complete return and pays the tax due within the time specified in section 12 of this chapter is entitled to deduct and retain from the tax a collection allowance of six-thousandths (0.006) of the amount due. If a distributor files an incomplete report, the department may reduce the collection allowance by an amount that does not exceed the lesser of:

(1) ten percent (10%) of the collection allowance; or

(2) fifty dollars ($50).

As added by P.L.96-1987, SEC.7. Amended by P.L.192-2002(ss), SEC.139.

IC 6-7-2-14
Credit or refund of taxes

Sec. 14. The department shall credit or refund to a distributor the tax paid under this chapter on tobacco products that are:

(1) shipped outside Indiana;

(2) returned to the manufacturer; or

(3) destroyed by the distributor in the presence of an employee or agent of the department.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-14.5

Deduction for certain receivables

Sec. 14.5. (a) In determining the amount of tax imposed by this chapter that a distributor must remit under section 12 of this chapter, the distributor shall, subject to subsections (c) and (d), deduct from the distributor's wholesale income subject to the tax imposed by this chapter that is derived from wholesale transactions made during a particular reporting period an amount equal to the distributor's receivables that:

(1) resulted from wholesale transactions on which the distributor has previously paid the tax imposed by this chapter to the department; and

(2) were written off as an uncollectible debt for federal tax purposes under Section 166 of the Internal Revenue Code during the particular reporting period.

(b) If a distributor deducts a receivable under subsection (a) and subsequently collects all or part of that receivable, the distributor shall, subject to subsection (d)(5), include the amount collected as part of the distributor's wholesale income subject to the tax imposed by this chapter for the particular reporting period in which the distributor makes the collection.

(c) As used in this subsection, "affiliated group" means any combination of the following:

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

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

The right to a deduction under this section is not assignable to an individual or entity that is not part of the same affiliated group as the assignor.

(d) The following provisions apply to a deduction for a receivable treated as uncollectible debt under subsection (a):

(1) The deduction does not include interest.

(2) The amount of the deduction shall be determined in the manner provided by Section 166 of the Internal Revenue Code

for bad debts but shall be adjusted to exclude:

(A) financing charges or interest;

(B) uncollectible amounts on property that remain in the possession of the distributor until the full purchase price is paid;

(C) expenses incurred in attempting to collect any debt; and

(D) repossessed property.

(3) The deduction shall be claimed on the return for the period during which the receivable is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. For purposes of this subdivision, a claimant who is not required to file federal income tax returns may deduct an uncollectible receivable on a return filed for the period in which the receivable is written off as uncollectible in the claimant's books and records and would be eligible for a bad debt deduction for federal income tax purposes if the claimant were required to file a federal income tax return.

(4) If the amount of uncollectible receivables claimed as a deduction by a distributor for a particular reporting period exceeds the amount of the distributor's taxable wholesale sales for that reporting period, the distributor may file a refund claim under IC 6-8.1-9. However, the deadline for the refund claim shall be measured from the due date of the return for the reporting period on which the deduction for the uncollectible receivables could first be claimed.

(5) For purposes of reporting a payment received on a previously claimed uncollectible receivable, any payments made on a debt or account shall be applied first proportionally to the taxable wholesale price of the property and the part of the receivable attributable to the tax imposed by this chapter, and secondly to interest, service charges, and any other charges.

As added by P.L.211-2007, SEC.38.

IC 6-7-2-15

Registration of manufacturer, importer, broker, or shipper distributing to distributor

Sec. 15. Every manufacturer, importer, broker, or shipper of tobacco products must register with the department before it sells or otherwise distributes tobacco products to distributors.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-16

Manufacturer, importer, broker, or shipper; proof of distributions

Sec. 16. Every manufacturer, importer, broker, or shipper of tobacco products that sells or otherwise distributes tobacco products to distributors shall, before the fifteenth day of each month, submit proof to the department of all of its sales or other distributions to distributors in the preceding month.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-17
Deposit of revenues

Sec. 17. The department shall deposit twenty-five percent (25%) of the taxes, registration fees, fines, or penalties collected under this chapter in the affordable housing and community development fund established by IC 5-20-4-7. The remainder of the taxes, registration fees, fines, or penalties collected under this chapter shall be deposited as provided in IC 6-7-1-28.1.

As added by P.L.96-1987, SEC.7. Amended by P.L.234-2007, SEC.202.

IC 6-7-2-18
Distribution without a license; offense

Sec. 18. A person who distributes tobacco products without a license issued under this chapter commits a Class B misdemeanor.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-19
Manufacturer noncompliance; offense

Sec. 19. A manufacturer of tobacco products who does not comply with the requirements of section 15 or 16 of this chapter commits a Class B misdemeanor.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-20
Record keeping violations

Sec. 20. A distributor who does not comply with the requirements of IC 6-8.1-5-4 commits a Class B misdemeanor.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-21
Distributor offenses

Sec. 21. A distributor who knowingly:

(1) acts as a distributor without a license;
(2) makes a false statement in a report under this chapter; or
(3) does not pay the tax for which the distributor is liable under this chapter;

commits a Class B misdemeanor. However, the offense is a Level 6 felony if it is committed with intent to evade the tax imposed by this chapter or to defraud the state.

As added by P.L.96-1987, SEC.7. Amended by P.L.158-2013, SEC.103.

IC 6-7-2-22
Listed tax

Sec. 22. The tax imposed under this chapter is a listed tax for purposes of IC 6-8.1.

As added by P.L.96-1987, SEC.7.

IC 6-7-2-23

Federal sales; exemption

Sec. 23. The sale of tobacco products to the United States or an agency or instrumentality thereof is exempt from the tobacco products tax.

As added by P.L.96-1987, SEC.7.

IC 6-7-3

Chapter 3. Controlled Substance Excise Tax

IC 6-7-3-1

"Controlled substance" defined

Sec. 1. As used in this chapter, "controlled substance" has the meaning set forth in IC 35-48-1-9.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-2

"Delivery" defined

Sec. 2. As used in this chapter, "delivery" has the meaning set forth in IC 35-48-1-11.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-3

"Department" defined

Sec. 3. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-4

"Manufacture" defined

Sec. 4. As used in this chapter, "manufacture" has the meaning set forth in IC 35-48-1-18.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-4.1

"Marijuana" defined

Sec. 4.1. As used in this chapter, "marijuana" has the meaning set forth in IC 35-48-1-19.

As added by P.L.65-1996, SEC.1.

IC 6-7-3-5

Imposition of tax; exemption

Sec. 5. The controlled substance excise tax is imposed on controlled substances that are:

(1) delivered;
(2) possessed; or
(3) manufactured;

in Indiana in violation of IC 35-48-4 or 21 U.S.C. 841 through 21 U.S.C. 852. The tax does not apply to a controlled substance that is distributed, manufactured, or dispensed by a person registered under IC 35-48-3.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-6

Amount of tax; determination by gram weight; substance in possession

Sec. 6. (a) The amount of the controlled substance excise tax is

determined by:

(1) the weight of the controlled substance; or

(2) the pill, capsule, hit, rock, or dosage when a controlled substance is delivered, possessed, or manufactured in that form.

(b) The amount of controlled substance excise tax is as follows:

(1) On each gram of a schedule I, II, or III controlled substance, except marijuana, forty dollars ($40) for each gram and a proportionate amount for each fraction of a gram.

(2) On each gram of marijuana, three dollars and fifty cents ($3.50) for each gram and a proportionate amount for each fraction of a gram.

(3) On each pill, capsule, hit, rock, or dosage of a schedule I, II, or III controlled substance, forty dollars ($40).

(4) On each gram of a schedule IV controlled substance, twenty dollars ($20) for each gram and a proportionate amount for each fraction of a gram.

(5) On each pill, capsule, hit, rock, or dosage of a schedule IV controlled substance, twenty dollars ($20).

(6) On each gram of a schedule V controlled substance, ten dollars ($10) for each gram and a proportionate amount for each fraction of a gram.

(7) On each pill, capsule, hit, rock, or dosage of a schedule V controlled substance, ten dollars ($10).

(c) A gram of a controlled substance is measured by the weight of the substance in possession whether pure, impure, or diluted. A quantity of a controlled substance is diluted if the substance consists of a detectable quantity of pure controlled substance and any excipient, fillers, or waste.

As added by P.L.50-1992, SEC.1. Amended by P.L.65-1996, SEC.2.

IC 6-7-3-7

Delivery of substance to law enforcement officer; tax liability

Sec. 7. A person who delivers a controlled substance to a law enforcement officer is not relieved of the duty to pay taxes under this chapter.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-8

Payment of tax due on violation of state or federal laws; nondisclosure of identity of taxpayer

Sec. 8. The tax imposed under this chapter is due when the person receives delivery of, takes possession of, or manufactures a controlled substance in violation of IC 35-48-4 or 21 U.S.C. 841 through 21 U.S.C. 852. A person may not be required to reveal the person's identity at the time the tax is paid.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-9

Payment of tax not conferring criminal immunity; use of confidential information

Sec. 9. The payment of the tax under this chapter does not make the buyer immune from criminal prosecution. However, confidential information acquired by the department may not be used to initiate or facilitate prosecution for an offense other than an offense based on a violation of this chapter.
As added by P.L.50-1992, SEC.1.

IC 6-7-3-10
Issuance of evidence of payment; statement; term of validity; possession of taxpayer

Sec. 10. (a) The department shall issue evidence of payment of the tax to the person paying the tax. The evidence of payment must include a statement stating the following:

> "THIS EVIDENCE OF PAYMENT DOES NOT LEGALIZE THE DELIVERY, SALE, POSSESSION, OR MANUFACTURE OF A CONTROLLED SUBSTANCE. THE UNAUTHORIZED DELIVERY, SALE, POSSESSION, OR MANUFACTURE OF A CONTROLLED SUBSTANCE IS A CRIME.".

(b) The evidence of payment is valid for thirty (30) days after the payment is received by the department. A person who receives delivery of, takes possession of, or manufactures a controlled substance must also have a valid evidence of payment in the person's possession.
As added by P.L.50-1992, SEC.1. Amended by P.L.65-1996, SEC.3.

IC 6-7-3-11
Prohibited acts; failure or refusal to pay tax

Sec. 11. A person may not deliver, possess, or manufacture a controlled substance subject to the tax under this chapter unless the tax has been paid. A person who fails or refuses to pay the tax imposed by this chapter is subject to a penalty of one hundred percent (100%) of the tax in addition to the tax.
As added by P.L.50-1992, SEC.1. Amended by P.L.65-1996, SEC.4.

IC 6-7-3-12
Rules for enforcement of chapter; tax refund provisions

Sec. 12. The department may adopt rules under IC 4-22-2 necessary to enforce this chapter, including rules relating to the refunding of taxes paid under this chapter.
As added by P.L.50-1992, SEC.1.

IC 6-7-3-13
Jeopardy assessment; duties of department

Sec. 13. An assessment for the tax due under this chapter is considered a jeopardy assessment. The department shall demand immediate payment and take action to collect the tax due as provided by IC 6-8.1-5-3.
As added by P.L.50-1992, SEC.1.

IC 6-7-3-14

Jeopardy assessments; secondary lien to seizure and forfeiture provisions

Sec. 14. All jeopardy assessments issued for nonpayment of tax shall be considered a secondary lien to the seizure and forfeiture provisions of IC 16-42-20, IC 34-24-1, IC 34-24-2, and any federal law.

As added by P.L.50-1992, SEC.1. Amended by P.L.2-1993, SEC.60; P.L.1-1998, SEC.83; P.L.1-1999, SEC.17.

IC 6-7-3-15

Controlled substance tax fund; establishment; administration; expenses; interest; reversion to general fund; annual appropriation

Sec. 15. (a) The controlled substance tax fund is established to receive all the revenue collected by the department under this chapter.

(b) The fund shall be administered by the treasurer of state. Any expenses incurred in administering the fund shall be paid from the fund. Any interest earned on money in the fund shall be credited to the fund.

(c) Any revenue remaining in the fund at the end of a state fiscal year does not revert to the state general fund.

(d) Money in the fund is annually appropriated to cover the department's administrative and enforcement expenses under this chapter and to make the distributions required by this chapter.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-16

Controlled substance tax fund; awards and distributions; prohibited uses; transfers to state drug free communities fund; collections from assessments

Sec. 16. (a) The department may award up to ten percent (10%) of the total amount collected from an assessment under this chapter to any person who provides information leading to the collection of a tax liability imposed under this chapter. An award made under this subsection must be made before any other distributions under this section.

(b) Whenever a law enforcement agency provides information leading to the collection of a tax liability imposed under this chapter, the department shall award thirty percent (30%) of the total amount collected from an assessment to the law enforcement agency that provided the information that resulted in the assessment. The law enforcement agency shall use the money the agency receives under this chapter to conduct criminal investigations. A law enforcement agency may not receive an award under more than one (1) subsection.

(c) The department shall award ten percent (10%) of the amount deposited in the fund during each month to the law enforcement training board to train law enforcement personnel.

(d) The department may use twenty percent (20%) of the amount deposited in the fund during a state fiscal year to pay the costs of administration and enforcement of this chapter.

(e) Awards may not be made under this chapter to the following:

(1) A law enforcement officer.

(2) An employee of the department.

(3) An employee of the Internal Revenue Service.

(4) An employee of the federal Drug Enforcement Agency.

(f) All the money deposited in the fund that is not needed for awards or to cover the costs of administration under this chapter shall be transferred to the state drug free communities fund established under IC 5-2-10.

(g) An award made under subsection (a) or (b) shall be made on the basis of collections from each individual assessment that resulted from information supplied to the department by a person or law enforcement agency.

(h) Money shall be considered collected under this section only after all protest periods have expired or all appeals have been adjudicated.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-17

Controlled substances tax fund; monthly distributions and transfers; certification to state auditor; warrants

Sec. 17. (a) All distributions and transfers from the controlled substance tax fund shall be paid monthly by the fifteenth of the month following the month of collection.

(b) The department shall certify to the auditor of state the amount to be distributed to each law enforcement agency that is entitled to receive an award under section 16 of this chapter. The treasurer of state shall make the distributions upon warrants issued by the auditor of state.

As added by P.L.50-1992, SEC.1.

IC 6-7-3-18

Failure to pay as evidence in criminal sentencing order

Sec. 18. When sentencing a defendant following a prosecution for delivery, possession, or manufacture of a controlled substance in violation of IC 35-48-4, the court may consider evidence of the accused's failure to pay the excise tax required by this chapter. If the court finds that the defendant failed to pay the excise tax, the court may order the department to commence collection proceedings for the tax and any penalties, as part of the court's sentencing order.

As added by P.L.65-1996, SEC.5.

IC 6-7-3-19

Conditions on commencement of collection proceedings

Sec. 19. The department may not commence collection proceedings under this chapter unless the department:

(1) is ordered to do so by a court in the court's sentencing order under section 18 of this chapter; or

(2) is notified in writing by the prosecuting attorney of the jurisdiction where the offense occurred that the prosecuting

attorney does not intend to pursue criminal charges of delivery, possession, or manufacture of the controlled substance that may be subject to the tax required by this chapter.

As added by P.L.65-1996, SEC.6.

IC 6-7-3-20

Tax in addition to criminal penalties and forfeitures

Sec. 20. The excise taxes required by this chapter are intended to be in addition to any criminal penalties under IC 35-48-4 and forfeitures under IC 16-42-20, IC 34-24-1, or IC 34-24-2 (or IC 34-4-30.1 or IC 34-4-30.5 before their repeal).

As added by P.L.65-1996, SEC.7. Amended by P.L.1-1998, SEC.84.

IC 6-8

ARTICLE 8. MISCELLANEOUS

IC 6-8-1

Chapter 1. Petroleum Severance Tax

IC 6-8-1-1

"Person" defined

Sec. 1. As used in this chapter, "person" means any individual, assignee, receiver, commissioner, fiduciary, trustee, executor, administrator, firm, partnership, joint venture, pool, syndicate, association, corporation, limited liability company, estate, trust, or any other group or combination acting as a unit.

(Formerly: Acts 1947, c.278, s.1.) As amended by P.L.2-1988, SEC.33; P.L.109-1988, SEC.5; P.L.8-1993, SEC.102.

IC 6-8-1-2

"Department" defined

Sec. 2. As used in this chapter, "department" refers to the department of state revenue.

(Formerly: Acts 1947, c.278, s.2.) As amended by P.L.2-1988, SEC.34; P.L.109-1988, SEC.6.

IC 6-8-1-3

"Taxpayer" defined

Sec. 3. As used in this chapter, "taxpayer" means any person by whom a tax is payable under this article.

(Formerly: Acts 1947, c.278, s.3.) As amended by P.L.2-1988, SEC.35; P.L.109-1988, SEC.7.

IC 6-8-1-4

"Value" defined

Sec. 4. As used in this chapter, "value" means the price paid or offered to be paid for petroleum of a like grade or gravity in the field or pool in which such well is located, and, if no such price be paid or offered, then as determined pursuant to the rules of the department.

(Formerly: Acts 1947, c.278, s.4.) As amended by P.L.109-1988, SEC.8.

IC 6-8-1-5

"Petroleum", "natural gas", "oil", and "barrel of oil" defined

Sec. 5. (a) As used in this chapter, "petroleum" means all hydrocarbons produced at a well in a liquid or gaseous state.

(b) As used in this chapter, "natural gas" means petroleum that maintains a gaseous state at atmospheric conditions.

(c) As used in this chapter, "oil" means petroleum that maintains a liquid state at atmospheric conditions.

(d) As used in this chapter, "barrel of oil" means forty-two (42) U.S. gallons of oil at sixty degrees Fahrenheit (60° F).

(Formerly: Acts 1947, c.278, s.5.) As amended by P.L.109-1988,

SEC.9.

IC 6-8-1-6
"Producer" defined

Sec. 6. As used in this chapter, "producer" means a person engaged in severing petroleum from the land direct.

(Formerly: Acts 1947, c.278, s.6.) As amended by P.L.109-1988, SEC.10.

IC 6-8-1-7
"Owner" defined

Sec. 7. As used in this chapter, "owner" means a person receiving or entitled to receive a proportionate share of petroleum or a proportionate share of the proceeds of the sale of petroleum after production by an operator, and without limitation of the foregoing, includes the owners of royalties, excess royalty, overriding royalty, mineral rights, or working interest.

(Formerly: Acts 1947, c.278, s.7.) As amended by P.L.109-1988, SEC.11.

IC 6-8-1-8
Rate of taxation

Sec. 8. A tax at a rate equal to the greater of:

(1) one percent (1%) of the value of the petroleum; or

(2) three cents ($0.03) per one thousand (1,000) cubic feet (MCF) for natural gas and twenty-four cents ($0.24) per barrel for oil;

is hereby imposed as of the time of the severance of such petroleum from the land, upon all producers and owners thereof as an excise for the privilege of severing the same from the land and producing the same from the well, except when the gas from any well is used to pump or treat the same or when such gas is piped to a landowner's private buildings for the landowner's own use.

(Formerly: Acts 1947, c.278, s.8.) As amended by P.L.109-1988, SEC.12.

IC 6-8-1-9
Tax liens

Sec. 9. The tax imposed by section 8 of this chapter is a lien upon such petroleum from the time of its severance from the land until such tax and all penalties and interest accruing by reason of nonpayment of the tax are fully paid.

(Formerly: Acts 1947, c.278, s.9.) As amended by P.L.109-1988, SEC.13.

IC 6-8-1-10
Liability for tax

Sec. 10. Any person purchasing or receiving possession of such petroleum prior to the discharge of such lien shall then and there be, become and remain personally liable to report and pay the amount of

such lien until the same be paid.
(Formerly: Acts 1947, c.278, s.10.)

IC 6-8-1-11
Payment of tax; right of reimbursement

Sec. 11. A person reporting and paying a tax levied under this chapter is entitled to be reimbursed by the owner or owners immediately upon such payment and shall deduct the amount of the payment from anything due to the owners. A person paying and deducting such tax is not subject to any suit or action for recovery by any person, but the remedy of such person shall be exclusively by claim or suit for refund under the terms of this chapter.
(Formerly: Acts 1947, c.278, s.11.) As amended by P.L.2-1988, SEC.36; P.L.109-1988, SEC.14.

IC 6-8-1-12
Duties of department

Sec. 12. The department shall administer and collect the tax imposed under this chapter, and shall adopt rules fixing the time and manner of reporting, and paying, at monthly intervals the tax imposed under this chapter.
(Formerly: Acts 1947, c.278, s.12.) As amended by Acts 1980, P.L.61, SEC.14; P.L.109-1988, SEC.15.

IC 6-8-1-13
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-14
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-15
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-16
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-17
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-18
Tax additional to all other taxes

Sec. 18. The tax imposed by this chapter shall be in addition to all other taxes, excises, and fees levied under any other statute.
(Formerly: Acts 1947, c.278, s.18.) As amended by P.L.2-1988, SEC.37; P.L.109-1988, SEC.16.

IC 6-8-1-19
Amount collected from tax; failure of collecting trustee to pay; offense

Sec. 19. Any person charging against or deducting from any payment due to any other person any amount being or represented as being a tax levied by this chapter or receiving money or credits as or purporting to be such a tax is a trustee of the amounts so charged, deducted, or received. A trustee who fails to pay any of those amounts to the department when due, with intent to evade payment of the tax, commits a Level 6 felony.

(Formerly: Acts 1947, c.278, s.19.) As amended by Acts 1978, P.L.2, SEC.650; P.L.158-2013, SEC.104.

IC 6-8-1-20
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-21
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-22
Repealed

(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-23
Record keeping violations; offenses

Sec. 23. (a) It is a Class C infraction for a person subject to taxation under this chapter to fail to keep and preserve such records, books, or accounts as may be necessary to determine the amount for which he is liable. It is a Class C infraction for such a person to fail to keep and preserve such records for a period of three (3) years, or to fail to keep them open for examination at any time by the department or its authorized agents.

(b) It is a Class B misdemeanor for a person to make false entries in his books, or to keep more than one (1) set of books, with intent to defraud the state or evade the payment of the tax, or any part thereof, imposed by this chapter.

(Formerly: Acts 1947, c.278, s.23.) As amended by Acts 1978, P.L.2, SEC.651.

IC 6-8-1-24
Evasion of tax; offenses

Sec. 24. It is a Class B misdemeanor for a person to fail to make any return required to be made under this chapter, or to make any false return, with intent to defraud the state or to evade the payment of the tax, or any part thereof, imposed by this chapter. It is a Class B misdemeanor for a person to recklessly fail to permit the examination of any book, paper, account, record, or other data by the department or its authorized agents, as required by this chapter, to

recklessly fail to permit the inspection or appraisal of any property by the department or its authorized agents, or to knowingly fail to offer testimony or produce any record as required in this chapter. A person who makes a false statement, with intent to defraud the state or to evade the payment of the tax imposed under this chapter, commits a Level 6 felony.
(Formerly: Acts 1947, c.278, s.24.) As amended by Acts 1978, P.L.2, SEC.652; P.L.158-2013, SEC.105.

IC 6-8-1-25
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-26
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-1-27
Disposition of revenues
Sec. 27. (a) Money received under this chapter shall be paid by the department into a fund to be kept by the treasurer of state and known as the oil and gas fund.
(b) Money paid into this fund shall be devoted to the following purposes upon appropriation:
(1) To the expenses of administering this chapter.
(2) To the oil and gas division of the department of natural resources for the purpose of administering IC 14-37.
(3) To research pertaining to exploration for, development of, and wise use of petroleum resources in Indiana.
(Formerly: Acts 1947, c.278, s.27.) As amended by Acts 1982, P.L.63, SEC.1; P.L.109-1988, SEC.17; P.L.1-1995, SEC.53.

IC 6-8-1-28
Reversion of oil and gas fund
Sec. 28. No part of the oil and gas fund reverts to the general fund of the state at the close of any fiscal year.
As added by P.L.109-1988, SEC.18.

IC 6-8-2
Repealed

(Repealed by Acts 1975, P.L.47, SEC.4.)

IC 6-8-3

Chapter 3. Department of State Revenue–Powers and Duties

IC 6-8-3-1
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-2
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-3
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-4
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-5
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-6
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-7
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-8
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-9
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-10
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-11
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-12
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-13
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-14
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-15
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-16
Repealed
(Repealed by Acts 1980, P.L.61, SEC.15.)

IC 6-8-3-17
Repealed
(Repealed by P.L.332-1989(ss), SEC.47.)

IC 6-8-3-18
Repealed
(Repealed by P.L.332-1989(ss), SEC.47.)

IC 6-8-4
Repealed

(Repealed by P.L.1-1992, SEC.26.)

IC 6-8-5

Chapter 5. Exemption of Proceeds and Interest on Municipal Bonds From All Taxes

IC 6-8-5-1

Qualifying bonds, notes, warrants, or other evidences of indebtedness; application; financial institution franchise tax

Sec. 1. (a) All bonds issued after March 11, 1959, or notes, warrants, or other evidences of indebtedness issued in the state of Indiana by or in the name of any Indiana county, township, city, incorporated town, school corporation, state educational institution, or any other Indiana political, municipal, public or quasi-public corporation or body, or in the name of any special assessment or taxing district or in the name of any authorized body of any such corporation or district, the interest thereon, the proceeds received by a holder from the sale of such obligations to the extent of the holder's cost of acquisition, or proceeds received upon redemption prior to maturity, or proceeds received at maturity, and the receipt of such interest and proceeds, shall be exempt from taxation in the state of Indiana for all purposes except a state inheritance tax imposed under IC 6-4.1.

(b) All bonds issued after March 11, 1933, and before March 12, 1959, by any municipality in this state under the provisions of any statute whereby the terms thereof provide for the payment of such bonds out of the funds derived from the revenues of any municipally owned utility or which are to be paid by pledging the physical property of any such municipally owned utility, or any bonds issued pledging both the physical property and the revenues of such utility, or any bonds issued for additions to or improvements to be made to such municipally owned utility, or any bonds issued by any municipality to be paid out of taxes levied by such municipality for the acquiring, purchase, construction, or the reconstruction of a utility, or any part thereof, shall be exempt from taxation for all purposes except a state inheritance tax imposed under IC 6-4.1.

(c) This section does not apply to measuring the franchise tax imposed on the privilege of transacting the business of a financial institution in Indiana under IC 6-5.5.

(d) No other statute exempting interest paid on debt obligations of:

(1) a state or local public entity, including an agency, a government corporation, or an authority; or

(2) a corporation or other entity leasing real or personal property to an entity described in subdivision (1);

applies to measuring of the franchise tax imposed on financial institutions under IC 6-5.5.

(Formerly: Acts 1959, c.154, s.1.) As amended by Acts 1980, P.L.8, SEC.58; P.L.80-1985, SEC.1; P.L.21-1990, SEC.37; P.L.68-1991, SEC.17; P.L.254-1997(ss), SEC.12; P.L.2-2007, SEC.128; P.L.172-2011, SEC.85.

IC 6-8-6
Repealed

(Repealed by P.L.1-1992, SEC.26.)

IC 6-8-7
Repealed

(Repealed by P.L.1-1993, SEC.43.)

IC 6-8-8

Chapter 8. Reciprocal Full Faith and Credit Taxation Act

IC 6-8-8-1

Suits to enforce tax liability; "taxes" defined

Sec. 1. (a) Any state of the United States of America or any political subdivision thereof shall have the right to sue in the courts of Indiana to recover any tax which may be owing to it when the same right is accorded to the state of Indiana and its political subdivisions by such state, whether such right is granted by statutory authority or as a matter of comity.

(b) The courts of this state shall recognize and enforce the liability for taxes lawfully imposed by the laws of any other state which extends like comity in respect of the liability for taxes lawfully imposed by the laws of this state. The officials of such other state are authorized to bring action in the courts of this state for the collection of such taxes. The certificate of the secretary of state of such other state to the effect that such officials have the authority to collect the taxes so to be collected by such action shall be conclusive proof of that authority.

(c) The term "taxes" as used in this chapter shall include:

(1) any and all tax assessments lawfully made, whether they be based upon a return or other disclosure of the taxpayer, or upon the information and belief of the taxing authority, or otherwise;

(2) license fees;

(3) any and all penalties lawfully imposed pursuant to a taxing statute;

(4) interest charges lawfully added to the tax liability which constitutes the subject of the action; and

(5) costs resulting from suits or processes in connection therewith.

(d) The attorney general of this state is empowered to bring action in the courts of other states to collect taxes legally due this state.

(e) Whenever a cause of action has accrued under or by virtue of the laws of any other state or territory, such cause of action may be brought in any of the courts of this state, by the person or persons entitled to the proceeds of such cause of action. Provided, however, that such person or persons shall be authorized to bring such action by the laws of the state or territory where the cause of action accrued.

(Formerly: Acts 1951, c.180, s.1.) As amended by P.L.2-1988, SEC.38.

IC 6-8-8-2

Short title

Sec. 2. This chapter shall be known as The Reciprocal Full Faith and Credit Taxation Act.

(Formerly: Acts 1951, c.180, s.2.) As amended by P.L.2-1988, SEC.39.

IC 6-8-8-3

Conflicting laws

Sec. 3. All laws in conflict with or in limitation of this chapter are superseded by this chapter.

(Formerly: Acts 1951, c.180, s.3.) As amended by P.L.2-1988, SEC.40.

IC 6-8-9
Repealed

(Repealed by Acts 1977, P.L.90, SEC.1.)

IC 6-8-10
Repealed

(Repealed by Acts 1978, P.L.6, SEC.36.)

IC 6-8-11

Chapter 11. Employee Medical Care Savings Account Plans

IC 6-8-11-0.1

Application of chapter

Sec. 0.1. (a) The addition of this chapter by P.L.92-1995 applies to taxable years beginning after December 31, 1995.

(b) The addition of this chapter by P.L.93-1995 applies to taxable years beginning after December 31, 1995.

As added by P.L.220-2011, SEC.162.

IC 6-8-11-1

"Deductible" defined

Sec. 1. As used in this chapter, "deductible" means the total deductible for an employee and all dependents of the employee for a calendar year.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-2

"Dependent" defined

Sec. 2. As used in this chapter, "dependent" means any of the following:

(1) The spouse of an employee.

(2) An employee's child who is one (1) of the following:

(A) Less than nineteen (19) years of age.

(B) Less than twenty-three (23) years of age and enrolled as a full-time student at an accredited college or university.

(C) Legally entitled to the provision by the employee of proper or necessary subsistence, education, medical care, or other care necessary for the child's health, guidance, or well-being, and not otherwise emancipated, self-supporting, married, or a member of the armed forces of the United States.

(D) Mentally or physically incapacitated to the extent that the child is not self-sufficient.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-3

"Eligible medical expense" defined

Sec. 3. As used in this chapter, "eligible medical expense" means an expense paid for medical care (as defined in Section 213(d) of the Internal Revenue Code).

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-4

"Employee" defined

Sec. 4. As used in this chapter, "employee" means the individual:

(1) for whose benefit; or

(2) for the benefit of whose dependents;

a medical care savings account is established.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-5
"Higher deductible" defined

Sec. 5. (a) As used in this chapter, for calendar year 1996, "higher deductible" means a deductible of:

(1) not less than one thousand dollars ($1,000); and
(2) not more than five thousand dollars ($5,000).

(b) For calendar years after 1996, the term means a deductible of:

(1) not less than the figure set forth in subsection (a)(1), adjusted under subsection (c); and
(2) not more than the figure set forth in subsection (a)(2), adjusted under subsection (c).

(c) The adjustments referred to in subsections (b)(1) and (b)(2):

(1) may reflect increases in the general level of prices since 1995; and
(2) must be based on:
(A) the Consumer Price Index updated monthly by the Bureau of Labor Statistics of the United States Department of Labor; or
(B) other figures issued by the government of the United States to indicate increases in the general level of prices in the United States.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-6
"Medical care savings account" or "account" defined

Sec. 6. As used in this chapter, "medical care savings account" or "account" means an account established in Indiana under a medical care savings account program to pay the eligible medical expenses of an employee and dependents of the employee.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-7
"Medical care savings account program" defined

Sec. 7. A "medical care savings account program" means a program established under this chapter to pay the eligible medical expenses of employees and dependents of employees through medical care savings accounts.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-8
"Qualified higher deductible health plan" defined

Sec. 8. As used in this chapter, "qualified higher deductible health plan" means a health coverage policy, certificate, or contract that:

(1) provides for the payment of eligible medical expenses that exceed a higher deductible;
(2) is purchased by an employer for the benefit of employees and dependents of employees; and
(3) is part of a medical care savings account program

established under this chapter.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-9

Powers and duties of employer

Sec. 9. (a) Except as otherwise provided by statute, contract, or a collective bargaining agreement, an employer may establish a medical care savings account program for the employer's employees.

(b) An employer that establishes a medical care savings account program under this chapter shall, before making any contributions to medical care savings accounts under the program, inform all employees in writing of the federal tax status of contributions made under this chapter.

(c) Except as provided in sections 17 and 23 of this chapter, the:

(1) principal contributed by an employer to a medical care savings account;

(2) interest earned on money on deposit in a medical care savings account; and

(3) money:

(A) paid out of a medical care savings account for eligible medical expenses; or

(B) used to reimburse an employee for eligible medical expenses;

are exempt from taxation as income of the employee under IC 6-3-2-18.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-10

Requirements

Sec. 10. (a) A medical care savings account program established by an employer under this chapter must include all of the following:

(1) The purchase by the employer of a qualified higher deductible health plan for the benefit of one (1) or more employees and dependents of the employees.

(2) The contribution by the employer, and the deposit into the medical care savings account established on behalf of each employee, of all or part of the difference between:

(A) the cost to the employer of purchasing a qualified higher deductible health plan for the benefit of the employee; and

(B) the cost previously incurred by the employer to pay the eligible medical expenses of the employee through a health coverage policy, certificate, or contract.

(3) The designation of an account administrator to administer the medical care savings accounts of employees.

(b) Notwithstanding subsection (a)(2), if an employer, before establishing a medical care savings account program under this chapter, did not pay the eligible medical expenses of the employer's employees through a health coverage policy, certificate, or contract, the employer may contribute all or part of the deductible of the qualified higher deductible health plan purchased by the employer to

establish the medical care savings account program.

(c) The contribution under subsection (b) must not exceed the following:

(1) For 1996, five thousand dollars ($5,000).

(2) For calendar years after 1996, the figure set forth in subdivision (1), adjusted under subsection (d).

(d) The adjustments referred to in subsection (c):

(1) may reflect increases in the general level of prices since 1995; and

(2) must be based on:

(A) the Consumer Price Index updated monthly by the Bureau of Labor Statistics of the United States Department of Labor; or

(B) other figures issued by the government of the United States to indicate increases in the general level of prices in the United States.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2. Amended by P.L.66-1996, SEC.1.

IC 6-8-11-11

Contributions by employee

Sec. 11. (a) A medical care savings account program established by an employer under this chapter may allow an employee to contribute money to the medical care savings account established for the employee. However, an employee may not contribute an amount larger than necessary to make the balance in the account equal the deductible.

(b) Notwithstanding sections 17 and 23 of this chapter, if an employee contributes money to an account under this section:

(1) the money may be withdrawn from the account by the employee at any time and for any purpose without a penalty;

(2) the withdrawal of the money by the employee is not income to the employee that is subject to taxation under IC 6-3-1 through IC 6-3-7; and

(3) income earned on the money while it is in the account is not income to the employee that is subject to taxation under IC 6-3-1 through IC 6-3-7.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-12

Authorized account administrators

Sec. 12. The following may be an account administrator under this chapter:

(1) A federal or state chartered:

(A) bank;

(B) savings association;

(C) savings bank; or

(D) credit union.

(2) A trust company authorized to act as a fiduciary.

(3) An insurance company or a health maintenance organization

authorized to do business in Indiana under IC 27.

(4) A broker-dealer, an agent, or an investment advisor registered under IC 23-19.

(5) A person that is licensed as an administrator under IC 27-1-25.

(6) An employee welfare benefit plan that is governed by the federal Employee Retirement Income Security Act, 29 U.S.C. 1001 et seq.

(7) An employer that participates in the medical care savings account program.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2. Amended by P.L.79-1998, SEC.14; P.L.160-2003, SEC.1; P.L.27-2007, SEC.6.

IC 6-8-11-13
Use of funds

Sec. 13. An account administrator shall use the funds held in a medical care savings account exclusively for the purpose of paying the eligible medical expenses of the employee or the employee's dependents.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-14
Prohibited use of funds

Sec. 14. (a) Funds held in a medical care savings account shall not be used to cover medical expenses of the employee or the employee's dependents that are otherwise covered.

(b) Medical expenses that are "otherwise covered" for the purposes of this section include expenses covered by:

(1) an automobile insurance policy;

(2) a workers' compensation insurance policy or self-insured plan; or

(3) another health coverage policy, certificate, or contract.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-15
Reimbursement

Sec. 15. If an employee submits documentation to the account administrator concerning eligible medical expenses that the employee has incurred and paid for medical care for the employee or a dependent of the employee, the account administrator shall reimburse the employee from the employee's account for the eligible medical expenses paid by the employee.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-16
Advancement of money

Sec. 16. An employer that makes contributions to a medical care savings account program on a periodic installment basis may advance to an employee, interest free, an amount necessary to cover unpaid eligible medical expenses that exceed the amount in the employee's

medical care savings account if the employee agrees to repay the advance:

(1) from future installments; or

(2) when the employee ceases to be an employee of the employer.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-17

Withdrawal of money for other purposes

Sec. 17. (a) An employee may, under this section, withdraw money from the employee's medical care savings account for a purpose other than the purposes set forth in section 13 of this chapter.

(b) Except as provided in section 11(b) of this chapter, if an employee withdraws money from the employee's medical care savings account on the last business day of the account administrator's business year for a purpose not set forth in section 13 of this chapter:

(1) the money withdrawn is income to the individual that is subject to taxation under IC 6-3-2-18(e); but

(2) the withdrawal does not:

(A) subject the employee to a penalty; or

(B) make the interest earned on the account during the tax year taxable as income of the employee.

(c) Except as provided in section 11(b) of this chapter, if an employee withdraws money for a purpose not set forth in section 13 of this chapter at any time other than the last business day of the account administrator's business year, all of the following apply:

(1) The amount of the withdrawal is income to the individual that is subject to taxation under IC 6-3-2-18(e).

(2) The administrator shall withhold and, on behalf of the employee, pay a penalty to the department of state revenue equal to ten percent (10%) of the amount of the withdrawal.

(3) All interest earned on the balance in the account during the tax year in which a withdrawal under this subsection is made is income to the individual that is subject to taxation under IC 6-3-2-18(f).

(d) Money paid to the department of state revenue as a penalty under this section shall be deposited in the local health maintenance fund established by IC 16-46-10-1.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-18

Written notice required

Sec. 18. (a) For the purposes of section 17(b) of this chapter, an account administrator that begins to administer a medical care savings account shall, in writing, notify the employee for whose benefit the account was established of the date of the last business day of the administrator's business year.

(b) The notice required by this section must be given not more than thirty (30) days after the account administrator begins to

administer the medical care savings account.
As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-19
Money exempt from execution

Sec. 19. Money in a medical care savings account established under this chapter is exempt from execution under IC 34-55-10-2.
As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2. Amended by P.L.1-1998, SEC.85.

IC 6-8-11-20
Distribution upon death of employee with no covered dependents

Sec. 20. (a) This section applies only to an employee who has no dependents who are covered under the medical care savings account established for the benefit of the employee.

(b) Upon the death of the employee for whose benefit a medical care savings account was established, the account administrator shall distribute the principal and accumulated interest of the account to the estate of the employee by mailing a check to the personal representative of the employee (as defined in IC 29-1-1-3).

(c) The distribution of the balance in a medical care savings account under this section is not income to the individual or to the estate of the individual that is subject to taxation under IC 6-3-1 through IC 6-3-7.
As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-21
Transfer of account

Sec. 21. If an individual:

(1) who was employed by an employer that participated in a medical care savings account program; and

(2) whose employment was terminated;

becomes employed with a different employer that participates in a medical care savings account program, the individual may transfer the medical care savings account that was established for the individual's benefit by the former employer to the account administrator of the new employer.
As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-22
Termination of employment

Sec. 22. If the employment of an individual by an employer that participates in a medical care savings account program is terminated, the money in the individual's medical care savings account may continue to be used for the benefit of the individual and the individual's dependents and remains exempt from taxation as provided under this chapter if, not more than sixty (60) days after the individual's final day of employment:

(1) the individual transfers the individual's medical care savings account to a new account administrator; or

(2) the individual requests in writing that the former employer's account administrator remain the administrator of the individual's account, and the account administrator agrees to retain the account.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-23

Procedures for payment upon termination

Sec. 23. (a) This section applies when the employment of an individual by an employer that participates in a medical care savings account program is terminated.

(b) If the former employer is not informed, within ninety (90) days after the former employee's final day of employment, of the name and address of an account administrator to which the former employer is transferring the former employee's medical care savings account under section 21 of this chapter, the former employer shall pay the money in the former employee's medical care savings account to the former employee under subsection (d).

(c) If:

(1) the former employee, under section 22(2) of this chapter, requests in writing that the former employer's account administrator remain the administrator of the individual's medical care savings account; and

(2) the account administrator does not agree to retain the account;

the former employer shall, within ninety (90) days after the former employee's final day of employment, pay the money in the former employee's medical care savings account to the former employee under subsection (d).

(d) An employer that is required under this section to pay the money in a former employee's medical care savings account to the former employee shall mail to the former employee, at the former employee's last known address, a check for the balance in the account on the ninety-first day after the employee's final day of employment.

(e) Except as provided in section 11(b) of this chapter, money that is paid to a former employee under subsection (d):

(1) is subject to taxation under IC 6-3-1 through IC 6-3-7 as income of the individual; but

(2) is not subject to the penalty referred to in section 17(c)(2) of this chapter.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-24

Distribution upon death of employee with dependents

Sec. 24. (a) This section applies if an individual:

(1) whose employer participates in a medical care savings account program; and

(2) who has one (1) or more dependents who are covered under the account established for the benefit of the individual;

dies.

(b) After the death of an individual described in subsection (a), the money in the individual's medical care savings account may continue to be used for the benefit of the individual's dependents and remains exempt from taxation as provided under this chapter if, not more than sixty (60) days after the individual's death:

(1) the individual's medical care savings account is transferred to a new account administrator; or

(2) the dependents of the individual request in writing that the account administrator of the late individual's employer remain the administrator of the account, and the account administrator agrees to retain the account.

(c) If the former employer of an individual described in subsection (a) is not informed, within ninety (90) days after the individual's death, of the name and address of an account administrator to which the medical care savings account has been transferred under subsection (b)(1), the former employer shall pay the money in the medical care savings account to the estate of the individual under subsection (e).

(d) If:

(1) the dependents of an individual described in subsection (a), under subsection (b)(2), request in writing that the former employer's account administrator remain the administrator of the individual's medical care savings account; and

(2) the account administrator does not agree to retain the account;

the former employer shall, within ninety (90) days after the individual's death, pay the money in the individual's medical care savings account to the estate of the individual under subsection (e).

(e) Under the circumstances described in subsection (c) or (d), the account administrator shall distribute the principal and accumulated interest in the account to the estate of the individual by mailing a check to the personal representative of the individual (as defined in IC 29-1-1-3).

(f) The distribution of the balance in a medical care savings account under subsection (e) is not income to the individual or to the estate of the individual that is subject to taxation under IC 6-3-1 through IC 6-3-7.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-11-25

Rules

Sec. 25. (a) The insurance commissioner appointed under IC 27-1-1-2 and the department of state revenue may adopt rules under IC 4-22-2 necessary to implement this chapter.

(b) The rules adopted under this section must include a procedure for the adjustment of figures required by sections 5 and 10 of this chapter.

As added by P.L.92-1995, SEC.2 and P.L.93-1995, SEC.2.

IC 6-8-12

Chapter 12. Eligible Event; Exemption From Taxation

IC 6-8-12-1

"Eligible entity"

Sec. 1. As used in this chapter, "eligible entity" means:

(1) the National Football League and its affiliates; and

(2) the National Collegiate Athletic Association and its affiliates.

As added by P.L.211-2007, SEC.39; P.L.234-2007, SEC.42. Amended by P.L.131-2008, SEC.24.

IC 6-8-12-2

"Eligible event"

Sec. 2. As used in this chapter, "eligible event" means:

(1) an event known as the Super Bowl that is conducted after December 31, 2011, by an eligible entity described in section 1(1) of this chapter; or

(2) an event known as the Men's Final Four or the Women's Final Four, including the ancillary events associated with the Men's Final Four or the Women's Final Four, that is conducted after December 31, 2011, by an eligible entity described in section 1(2) of this chapter.

As added by P.L.211-2007, SEC.39; P.L.234-2007, SEC.42. Amended by P.L.131-2008, SEC.25.

IC 6-8-12-3

Tax exemption

Sec. 3. (a) Except as provided in subsection (b), all property owned by an eligible entity, revenues of an eligible entity, and expenditures and transactions of an eligible entity:

(1) in connection with an eligible event; and

(2) resulting from holding an eligible event in Indiana or making preparatory advance visits to Indiana in connection with an eligible event;

are exempt from taxation in Indiana for all purposes.

(b) Salaries and wages paid to employees of the National Collegiate Athletic Association and its affiliates that are ordinarily subject to taxation under:

(1) IC 6-3-1 through IC 6-3-7; and

(2) IC 6-3.5;

are subject to income taxation regardless of whether the salaries and wages are paid in connection with an eligible event, holding an eligible event in Indiana, or making a preparatory advance visit to Indiana in connection with an eligible event.

As added by P.L.211-2007, SEC.39; P.L.234-2007, SEC.42. Amended by P.L.131-2008, SEC.26.

IC 6-8-12-4

Marion County admissions tax not applicable

Sec. 4. The excise tax under IC 6-9-13 does not apply to an eligible event.

As added by P.L.211-2007, SEC.39; P.L.234-2007, SEC.42.

IC 6-8-12-5

Findings

Sec. 5. The general assembly finds that:

(1) this chapter has been enacted as a requirement to host an eligible event in Indiana and that an eligible event would not be held in Indiana without the exemptions provided in this chapter;

(2) notwithstanding the exemptions provided in this chapter, an eligible event held in Indiana would generate a significant economic impact for Indiana and additional revenues from taxes affected by this chapter; and

(3) the exemptions provided in this chapter will not reduce or adversely affect the levy and collection of taxes pledged to the payment of bonds, notes, leases, or subleases payable from those taxes.

As added by P.L.211-2007, SEC.39; P.L.234-2007, SEC.42.

IC 6-8-13

Chapter 13. Disaster Recovery Exemptions

IC 6-8-13-1

"Department"

Sec. 1. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-2

"Disaster emergency"

Sec. 2. As used in this chapter, "disaster emergency" means the following:

(1) A disaster emergency declared under IC 10-14-3-12.

(2) A state of energy emergency declared under IC 10-14-3-13.

(3) A local disaster emergency declared under IC 10-14-3-29.

(4) A request by a registered business for disaster or emergency assistance under a mutual assistance agreement.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-3

"Disaster period"

Sec. 3. As used in this chapter, "disaster period" means the period:

(1) beginning on the date ten (10) days before the day on which a disaster emergency is declared; and

(2) ending sixty (60) days after the date on which the disaster emergency declaration ends.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-4

"Disaster emergency related work"

Sec. 4. As used in this chapter, "disaster emergency related work" means:

(1) repairing, renovating, installing, or building; or

(2) rendering services or transacting other business activities related to;

infrastructure that is damaged, impaired, or destroyed by an event that caused a disaster emergency to be declared.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-5

"Registered business"

Sec. 5. As used in this chapter, "registered business" means an entity that is registered with the department to do business in Indiana before a disaster emergency is declared.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-6

"Entity"

Sec. 6. As used in this chapter, "entity" has the meaning set forth

in IC 23-1-20-10.
As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-7
"Infrastructure"

Sec. 7. As used in this chapter, "infrastructure" means the following:

(1) Real or personal property or equipment owned or used by:
(A) a public utility (as defined in IC 8-1-2-1(a) or IC 8-1-8.5-1(a));
(B) a municipally owned utility (as defined in IC 8-1-2-1(h));
(C) a joint agency (as defined in IC 8-1-2.2-2(e)); or
(D) a communications service provider (as defined in IC 8-1-32.6-3).
(2) Public roads and bridges and related support facilities.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-7.5
"Mutual assistance agreement"

Sec. 7.5. As used in this chapter, "mutual assistance agreement" means an agreement to which one (1) or more registered businesses and one (1) or more out-of-state businesses are parties and under which a public utility, municipally owned utility, or joint agency owning, operating, or owning and operating infrastructure in Indiana may request and receive assistance from an out-of-state business to perform disaster emergency related work during a disaster period.
As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-8
"Out-of-state business"

Sec. 8. (a) As used in this chapter, "out-of-state business" means an entity that:

(1) is not:
(A) a registered business;
(B) incorporated in Indiana; or
(C) otherwise authorized to do business in Indiana;
on the date on which a disaster period begins; and
(2) does not maintain a physical presence in Indiana during the taxable year in which a disaster emergency is declared.

(b) The term includes the following:

(1) A business whose services are requested by a registered business or by a state or local government for performing disaster emergency related work in Indiana.
(2) A business entity that is affiliated with a registered business in Indiana solely through common ownership.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-9
"Out-of-state employee"

Sec. 9. As used in this chapter, "out-of-state employee" means an

individual who is:

(1) employed by an out-of-state business at any time during a disaster period; and

(2) for purposes of section 14 of this chapter, not a resident of Indiana.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-10

Submission of information by out-of-state businesses performing disaster emergency related work

Sec. 10. (a) An out-of-state business that enters Indiana shall, upon request, provide the department a statement that the business is in Indiana for purposes of responding to a disaster emergency. The statement must include:

(1) the name of the business;

(2) the state in which the business is domiciled;

(3) the principal business address of the business;

(4) the federal tax identification number of the business;

(5) the date the business entered Indiana; and

(6) contact information for the business.

(b) A registered business shall, upon request, provide the information required by subsection (a) for any affiliate that enters Indiana as an out-of-state business. The notification must include contact information for the registered business.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-11

Exemptions

Sec. 11. Subject to section 14 of this chapter, an out-of-state business that performs disaster emergency related work in Indiana during a disaster period is exempt from the following during the disaster period:

(1) Paying any state or local taxes, including ad valorem and payroll taxes, regardless of the manner in which the out-of-state business reports, files, or remits the taxes. For purposes of any state or local tax on or measured by, in whole or in part, gross or net income or receipts, all activity of the out-of-state business that is conducted in Indiana in accordance with this chapter is disregarded with respect to any filing requirement of the tax, including a filing requirement for a unitary or combined group of which the out-of-state business may be a part.

(2) Complying with any state or local business, occupational licensing, or registration requirements.

(3) Providing worker's compensation insurance under IC 22-3-5.

(4) Making employer contributions to the unemployment compensation system under IC 22-4-10.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-12

Presence of out-of-state employees; bearing on residency

Sec. 12. An out-of-state employee is not considered to have established residency or a presence in Indiana that would require the employee or the employee's employer to:

(1) file and pay state or local income taxes;

(2) be subject to income tax withholding; or

(3) file and pay any other state or local tax or fee;

during a disaster period. This includes any related state or local employer withholding or remittance obligations.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-13

Out-of-state employees; licensing and registration exemption

Sec. 13. An out-of-state employee is exempt from state and local licensing and registration requirements with respect to disaster emergency related work performed during a disaster period.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-13-14

Requirement to pay transaction fees and taxes

Sec. 14. Unless otherwise exempted during a disaster period, an out-of-state business or an out-of-state employee shall pay transaction taxes and fees, including:

(1) fuel taxes;

(2) hotel taxes;

(3) car rental taxes; or

(4) gross retail taxes or use taxes on a purchase of materials or services by the out-of-state business or out-of-state employee for use or consumption during the disaster period, unless the purchase is otherwise exempt during a disaster period.

As added by P.L.293-2013(ts), SEC.26.

IC 6-8-14

Chapter 14. Motorsports Admissions Fee

IC 6-8-14-1

Application of chapter

Sec. 1. This chapter applies to a motorsports investment district established under IC 5-1-17.5.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-2

"Qualified motorsports facility"

Sec. 2. As used in this chapter, "qualified motorsports facility" has the meaning set forth in IC 5-1-17.5-14.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-3

"Race day"

Sec. 3. As used in this chapter, "race day" means a day on which a race is conducted in which a competitor may earn points toward a series championship.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-4

Admissions fee imposed; amount

Sec. 4. (a) An admissions fee is imposed on each person charged for admission to a qualified motorsports facility on a race day. The admissions fee equals:

(1) the price of each admission to a qualified motorsports facility; multiplied by

(2) the applicable percentage determined under subsection (b).

(b) The applicable percentage is as follows:

(1) Six percent (6%) on any admissions charge of at least one hundred fifty dollars ($150).

(2) Three percent (3%) on any admissions charge of at least one hundred dollars ($100) but less than one hundred fifty dollars ($150).

(3) Two percent (2%) on any admissions charge of less than one hundred dollars ($100).

(c) The fee imposed under subsection (a) does not apply to any amount charged for parking at a qualified motorsports facility.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-5

Liability for admissions fee

Sec. 5. Each person who pays a price for admission to a qualified motorsports facility on a race day is liable for the fee imposed under this chapter.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-6

Collection of admissions fee

Sec. 6. The person who collects the price for admission shall also collect the admissions fee imposed with respect to the price for admission. The person shall collect the fee at the same time the price for admission is paid, regardless of whether the price paid is for a single admission, for season tickets, or for any other admission arrangement. In addition, the person shall collect the fee as an agent of the state.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-7

Remitting of admissions fees; filing of returns

Sec. 7. A person who collects an admissions fee under section 6 of this chapter shall remit the fee collections to the department of state revenue. The person shall remit the fees collected during a particular month before the fifteenth day of the following month. At the time the fees are remitted, the person shall file a return on the form prescribed by the department of state revenue.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-8

Deposit of admissions fees into state general fund

Sec. 8. The department of state revenue shall deposit the fees remitted under this chapter in the state general fund.

As added by P.L.233-2013, SEC.9.

IC 6-8-14-9

Expiration of admissions fee

Sec. 9. The admissions fee expires on the later of:

(1) the date on which the Indiana finance authority certifies to the Indiana motorsports commission, the department of state revenue, and the qualified motorsports facility that all bonds issued by the Indiana finance authority under IC 5-1-17.5 are no longer deemed outstanding; or

(2) the date on which the department of state revenue certifies to the Indiana finance authority, the Indiana motorsports commission, and the qualified motorsports facility that the aggregate amount of credits provided to the owner or owners of the qualified motorsports facility under IC 4-10-23 equals or exceeds the aggregate of the amount of the appropriations made to the Indiana motorsports commission and used to pay rent by the Indiana motorsports commission to the Indiana finance authority under any lease entered into between the Indiana finance authority and the Indiana motorsports commission under IC 5-1-17.5 and any expenses that are incurred by the Indiana finance authority or the Indiana motorsports commission under IC 5-1-17.5 and are not paid out of such rent.

As added by P.L.233-2013, SEC.9.

IC 6-8.1

ARTICLE 8.1. DEPARTMENT OF STATE REVENUE; TAX ADMINISTRATION

IC 6-8.1-1

Chapter 1. Definitions and Applicability

IC 6-8.1-1-1 Version a

"Listed taxes"; "taxes"

Note: This version of section effective until 7-1-2014. See also following version of this section, effective 7-1-2014.

Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the regional transportation improvement income tax (IC 8-24-17); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

As added by Acts 1980, P.L.61, SEC.1. Amended by Acts 1981, P.L.99, SEC.3; Acts 1981, P.L.77, SEC.19; Acts 1982, P.L.59, SEC.4; P.L.73-1983, SEC.14; P.L.88-1983, SEC.9; P.L.54-1984, SEC.4; P.L.44-1984, SEC.15; P.L.79-1985, SEC.3; P.L.19-1986, SEC.20; P.L.104-1987, SEC.1; P.L.103-1987, SEC.1; P.L.6-1987, SEC.9; P.L.80-1989, SEC.12; P.L.341-1989(ss), SEC.10; P.L.335-1989(ss), SEC.17; P.L.60-1990, SEC.11; P.L.69-1991, SEC.19; P.L.50-1992, SEC.2; P.L.2-1993, SEC.61; P.L.71-1993,

SEC.15; P.L.277-1993(ss), SEC.49; P.L.277-1993(ss), SEC.129; P.L.1-1994, SEC.30; P.L.19-1994, SEC.12; P.L.2-1995, SEC.35; P.L.1-1996, SEC.57; P.L.65-1996, SEC.8; P.L.61-1996, SEC.7; P.L.119-1998, SEC.15; P.L.181-1999, SEC.3; P.L.151-2001, SEC.7; P.L.192-2002(ss), SEC.140; P.L.214-2005, SEC.25; P.L.162-2006, SEC.35; P.L.233-2007, SEC.23; P.L.95-2008, SEC.15; P.L.131-2008, SEC.27; P.L.146-2008, SEC.358; P.L.1-2009, SEC.57; P.L.182-2009(ss), SEC.247; P.L.288-2013, SEC.68; P.L.277-2013, SEC.15; P.L.2-2014, SEC.30.

IC 6-8.1-1-1 Version b
"Listed taxes"; "taxes"

Note: This version of section effective 7-1-2014. See also preceding version of this section, effective until 7-1-2014.

Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the regional transportation improvement income tax (IC 8-24-17); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); and any other tax or fee that the department is required to collect or administer.

As added by Acts 1980, P.L.61, SEC.1. Amended by Acts 1981, P.L.99, SEC.3; Acts 1981, P.L.77, SEC.19; Acts 1982, P.L.59, SEC.4; P.L.73-1983, SEC.14; P.L.88-1983, SEC.9; P.L.54-1984, SEC.4; P.L.44-1984, SEC.15; P.L.79-1985, SEC.3; P.L.19-1986, SEC.20; P.L.104-1987, SEC.1; P.L.103-1987, SEC.1; P.L.6-1987, SEC.9; P.L.80-1989, SEC.12; P.L.341-1989(ss), SEC.10; P.L.335-1989(ss), SEC.17; P.L.60-1990, SEC.11; P.L.69-1991,

SEC.19; P.L.50-1992, SEC.2; P.L.2-1993, SEC.61; P.L.71-1993, SEC.15; P.L.277-1993(ss), SEC.49; P.L.277-1993(ss), SEC.129; P.L.1-1994, SEC.30; P.L.19-1994, SEC.12; P.L.2-1995, SEC.35; P.L.1-1996, SEC.57; P.L.65-1996, SEC.8; P.L.61-1996, SEC.7; P.L.119-1998, SEC.15; P.L.181-1999, SEC.3; P.L.151-2001, SEC.7; P.L.192-2002(ss), SEC.140; P.L.214-2005, SEC.25; P.L.162-2006, SEC.35; P.L.233-2007, SEC.23; P.L.95-2008, SEC.15; P.L.131-2008, SEC.27; P.L.146-2008, SEC.358; P.L.1-2009, SEC.57; P.L.182-2009(ss), SEC.247; P.L.288-2013, SEC.68; P.L.277-2013, SEC.15; P.L.2-2014, SEC.30; P.L.220-2014, SEC.2.

IC 6-8.1-1-1.5
"Commissioner"

Sec. 1.5. Except as provided in section 3 of this chapter, "commissioner" refers to the commissioner of the department.
As added by P.L.332-1989(ss), SEC.17.

IC 6-8.1-1-2
"Department"

Sec. 2. "Department" means the Indiana department of state revenue.
As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-1-3
"Person"

Sec. 3. "Person" includes an individual, assignee, receiver, commissioner, fiduciary, trustee, executor, administrator, institution, national bank, bank, consignee, firm, partnership, joint venture, pool, syndicate, bureau, association, cooperative association, society, club, fraternity, sorority, lodge, corporation, limited liability company, Indiana political subdivision engaged in private or proprietary activities, estate, trust, or any group or combination acting as a unit.
As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.8-1993, SEC.103.

IC 6-8.1-1-4
"Due date"

Sec. 4. "Due date" means the last date on which a particular act, such as filing a return or making a payment, may be performed and still be on time. If an extension of time is allowed for performing a particular act, the "due date" is the last day of the extension period.
As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-1-5
Repealed

(Repealed by P.L.192-2002(ss), SEC.191.)

IC 6-8.1-1-5.5
"Taxpayer"

Sec. 5.5. "Taxpayer" means a person liable for the payment of

taxes.
As added by P.L.332-1989(ss), SEC.18.

IC 6-8.1-1-6
Application of article; conflicts with other laws

Sec. 6. The provisions of this article apply for the purposes of imposing, collecting, and administering the listed taxes. However, if a provision of this article conflicts with a provision of the law relating to any of the listed taxes, the provision of the law relating to the listed tax controls for purposes of imposing, collecting, or administering that listed tax.
As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-1-7
Definitions; applicability

Sec. 7. The definitions in this chapter apply throughout this article.
As added by P.L.332-1989(ss), SEC.19.

IC 6-8.1-1-8
Applicability of law; determination of rights and duties

Sec. 8. (a) This chapter and IC 6-8.1-2 through IC 6-8.1-10-1 (except IC 6-8.1-5-2) apply after December 31, 1980, regardless of when the tax liability arose. If the tax liability was assessed before January 1, 1981, the rights and duties of the taxpayer and the state are determined (except for interest on the liability for which IC 6-8.1-10-1 applies beginning January 1, 1981) with regard to the assessment, hearing, and appeals procedures and limitations that existed at the time of the tax liability assessment and before January 1, 1981, notwithstanding the repeal of those procedures and limitations.

(b) Except as provided in subsection (c), IC 6-8.1-5-2 and IC 6-8.1-10-2.1 through IC 6-8.1-10-7 apply only with respect to taxes imposed for periods ending after December 31, 1980. Tax liabilities arising before January 1, 1981, are, with respect to additions to tax and penalties, determined, administered, and assessed under the appropriate listed tax laws in effect on December 31, 1980, instead of under this article. The rights and duties of the taxpayers and the state under those laws are fully and completely preserved with respect to the additions to tax and penalties.

(c) IC 6-8.1-10-2.1 through IC 6-8.1-10-7 may apply to tax liabilities arising during any period that ends before January 1, 1981, if:

(1) the commissioner has not issued an assessment with respect to that prior period; or

(2) the commissioner has issued the assessment that is or may be the subject of a petition for reassessment and the commissioner's decision on that assessment has not been issued as of January 1, 1981, and the taxpayer elects to have all of IC 6-8.1-10-2.1 through IC 6-8.1-10-7 apply as fully as if those sections had been in effect at the time the tax liability arose. The election

must be made within sixty (60) days after assessment or before June 1, 1981, whichever occurs last. An election under this subsection may not shorten the statute of limitations upon assessments otherwise applying to tax liabilities arising before January 1, 1981.

As added by P.L.332-1989(ss), SEC.20. Amended by P.L.1-1991, SEC.68; P.L.1-2010, SEC.36.

IC 6-8.1-2

Chapter 2. Department Organization

IC 6-8.1-2-1

Establishment

Sec. 1. The department of state revenue is established as an agency of the state of Indiana for the purpose of administering, collecting, and enforcing the taxes placed under its authority.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-2-2

Control by governor

Sec. 2. The department is under the control of the governor, who shall appoint or employ the commissioner.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.100-2012, SEC.19.

IC 6-8.1-2-3

Repealed

(Repealed by P.L.23-1986, SEC.21.)

IC 6-8.1-3

Chapter 3. Duties, Powers, and Responsibilities

IC 6-8.1-3-1

Tax administration, collection, and enforcement; motor vehicle excise tax; commercial vehicle excise taxes

Sec. 1. (a) The department has the primary responsibility for the administration, collection, and enforcement of the listed taxes. In carrying out that responsibility, the department may exercise all the powers conferred on it under this article in respect to any of those taxes.

(b) In the case of the motor vehicle excise tax, the department has the responsibility to act only in the investigation, assessment, collection, and enforcement of the tax in instances of delinquency or evasion. Primary responsibility for the administration and collection of the tax remains with the agencies named in IC 6-6-5.

(c) In the case of commercial vehicle excise taxes that are payable to the bureau of motor vehicles and are not subject to apportionment under the International Registration Plan, the department has the responsibility to act only in the investigation, assessment, collection, and enforcement of the tax in instances of delinquency or evasion. Primary responsibility for the administration and collection of the tax remains with the bureau of motor vehicles.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.335-1989(ss), SEC.18; P.L.24-1992, SEC.57; P.L.181-1999, SEC.4; P.L.91-2006, SEC.9.

IC 6-8.1-3-2

Employees; hiring; compensation; conflict of interest

Sec. 2. (a) The commissioner, with the governor's approval, may employ such individuals as are necessary to perform the various functions of the department.

(b) The commissioner and the budget agency shall set the compensation for the department's employees.

(c) Before January 1, 1983, an employee of the department may not perform any activity, outside the department, involving the representation of another person at an audit by the department.

(d) After December 31, 1982, an employee of the department may not perform any activity, outside the department, involving the representation of another person for compensation, if that activity could conflict with his departmental job. An employee may not prepare state or federal tax returns for compensation and he may not perform accounting or legal services for compensation, if those services or the results of those services pertain to or are used in the preparation of a state or federal tax return.

(e) For a period of two (2) years after the termination of his employment with the department, a former employee may not act in any capacity for a person (other than the department, another state agency, or the federal government) in a matter that was pending in the department during the period of the former employee's

employment.
As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-3-2.2
Unauthorized investigations or surveillance

Sec. 2.2. (a) This section does not:

(1) apply to an otherwise lawful investigation concerning organized crime activities; or

(2) prohibit, restrict, or prevent the exchange of information if a person is being investigated for multiple violations of IC 6-2.5 (state gross retail and use taxes).

(b) As used in this section, "investigation" means an oral or written inquiry directed to a person, organization, or governmental entity.

(c) As used in this section, "surveillance" means the monitoring of a person, place, or event by:

(1) electronic interception;

(2) overt or covert observations;

(3) photography; or

(4) the use of informants.

(d) The commissioner or an employee of the department may not knowingly authorize, require, or conduct:

(1) an investigation; or

(2) a surveillance;

unless the purpose of the investigation or surveillance is reasonably related to the administration of a listed tax.
As added by P.L.332-1989(ss), SEC.21. Amended by P.L.100-2012, SEC.20.

IC 6-8.1-3-2.5
Employee evaluations based on revenue collected or tax liability assessed

Sec. 2.5. The department may not include the amount of revenue collected or tax liability assessed in the evaluation of an employee.
As added by P.L.332-1989(ss), SEC.22. Amended by P.L.211-2007, SEC.40.

IC 6-8.1-3-2.6
Certification of compliance with employee evaluation criteria

Sec. 2.6. The commissioner shall certify in the report submitted under IC 6-8.1-14-3 that the department is in compliance with section 2.5 of this chapter.
As added by P.L.332-1989(ss), SEC.23.

IC 6-8.1-3-3
Removal of expired rules

Sec. 3. (a) The department shall adopt, under IC 4-22-2, rules governing:

(1) the administration, collection, and enforcement of the listed taxes;

(2) the interpretation of the statutes governing the listed taxes;
(3) the procedures relating to the listed taxes; and
(4) the methods of valuing the items subject to the listed taxes.

(b) No change in the department's interpretation of a listed tax may take effect before the date the change is:
(1) adopted in a rule under this section; or
(2) published in the Indiana Register under IC 4-22-7-7(a)(5), if IC 4-22-2 does not require the interpretation to be adopted as a rule;
if the change would increase a taxpayer's liability for a listed tax.

(c) The department shall furnish copies of its rules and statements described in subsection (b)(2) to the public at a cost equivalent to the preparation and mailing costs of those rules or statements. However, the department shall furnish the rules or statements, on request, free of charge to governmental officials of any state or of the federal government.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.105-1987, SEC.1; P.L.17-1996, SEC.8.

IC 6-8.1-3-3.5
Guidelines available for public inspection and copying; letters of findings; removal of information

Sec. 3.5. (a) Subject to subsection (b), the department shall publish in the Indiana Register under IC 4-22-7-7 and make available for public inspection and copying under IC 5-14-3 information bulletins, revenue rulings (including, after complying with subsections (b) through (e), letters of findings), and other guidelines that:
(1) are issued by the department; and
(2) concern a listed tax.

(b) When the department issues a letter of findings, the department shall provide a copy of the letter of findings to the taxpayer to which the letter of findings pertains. The department shall notify the taxpayer of the taxpayer's right to delete information described under subsection (c).

(c) Not more than thirty (30) days after a taxpayer receives a letter of findings under subsection (b), the taxpayer to which the letter of findings pertains may request in writing that the department remove any of the following information that is contained in the letter of findings:
(1) A name, address, or other identifying detail of:
(A) the business or other person to whom the written determination pertains; or
(B) any other business or other person identified in the written determination or a background file document.
(2) A trade secret or other commercial or financial information obtained from a business or other person that is privileged or confidential.
(3) Information, the disclosure of which would constitute an unwarranted invasion of personal privacy.
(4) Information contained in or related to an examination,

operating, or condition report prepared by, on behalf of, or for use of an agency responsible for the regulation or supervision of a financial institution.

(5) Information specifically exempted from disclosure by any other statute that is applicable to the department of state revenue.

A request to remove information under this subsection must include a copy of the letter of findings that is marked to identify the information that the person seeks to remove.

(d) Before publishing or making a letter of findings available for public inspection, the department shall remove information marked by a taxpayer for removal from the letter of findings to the extent that:

(1) the request was submitted to the department in conformity with subsection (c); and

(2) the information marked for removal qualifies under subsection (c)(1) through (c)(5).

However, if after removal of information marked by a taxpayer, the letter of findings does not clearly indicate the position of the department on the matter of tax law addressed by the letter of findings, the department shall add back deleted items or substitute words and numbers to the extent necessary to clearly indicate the position of the department on the matter of tax law addressed by the letter of findings.

(e) IC 5-14-3-4, IC 6-8.1-7-1, and any other law exempting information from disclosure by the department does not apply to this subsection. Subject to subsection (d), the department shall submit the letter of findings for publication in the Indiana Register under IC 4-22-7-7 and make the letter of findings available for public inspection and copying under IC 5-14-3 not earlier than thirty (30) days after the taxpayer receives the letter of findings and not later than sixty (60) days after the taxpayer receives the letter of findings.

As added by P.L.28-1997, SEC.24.

IC 6-8.1-3-4

Forms; electronic format

Sec. 4. The department has the sole authority to furnish forms used in the administration and collection of the listed taxes, including reporting of information in an electronic format.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.36-1984, SEC.2; P.L.182-2009(ss), SEC.248.

IC 6-8.1-3-5

Signature on documents

Sec. 5. All notices, summons, warrants, waivers, demands, or other documents requiring an authorizing signature by the department must be signed by the commissioner or his designee; and when that document is signed it is an official department document.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-3-6
Records; audit

Sec. 6. (a) The department shall maintain, for a period of at least three (3) years, a record of all monies received and disbursed, and copies of all returns filed with the department.

(b) At the end of each fiscal year, the state board of accounts shall audit the department's record of receipts and disbursements.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-3-7
Reciprocal information agreements; cooperation of other agencies; submission of required electronic file of information

Sec. 7. (a) The department may enter into reciprocal agreements with the taxing officials of the United States government or with the taxing officials of other state governments to furnish and receive information relevant to the administration and enforcement of the listed taxes. However, the department may not furnish information obtained from federal returns or schedules to officials of other state governments.

(b) All agencies of the state of Indiana shall cooperate with the department in the administration of the listed taxes and shall, upon request and at no charge to the department, furnish to the department any information relevant to the administration and collection of the listed taxes that the department requests. In addition, a state agency that encounters the use of a fraudulent identity shall notify the department and provide in electronic format identifying information as specified by the department for the department's use in preventing tax fraud. If a state agency encounters the use of fraudulent identities on a regular basis, the state agency shall provide to the department a monthly electronic report furnishing the identifying information specified by the department.

(c) Before December 1 each year:

(1) the department of correction shall provide to the department an electronic file listing the name and Social Security number of each individual under the jurisdiction of the department of correction as of November 1 of that year; and

(2) the state department of health shall provide to the department an electronic file listing the name of each individual for whom an Indiana death certificate was issued during the immediately preceding twelve (12) months.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.197-2013, SEC.2.

IC 6-8.1-3-7.1
Department agreement to provide information to fiscal officer; electronic format; information may not be disclosed

Sec. 7.1. (a) "Fiscal officer" has the meaning set forth in IC 36-1-2-7.

(b) The department shall enter into an agreement with the fiscal officer of an entity that has adopted an innkeeper's tax, a food and

beverage tax, or an admissions tax under IC 6-9 to furnish the fiscal officer annually with:

(1) the name of each business collecting the taxes listed in this subsection; and

(2) the amount of money collected from each business.

(c) The agreement must provide that the department must provide the information in an electronic format that the fiscal officer can use, as well as a paper copy.

(d) The agreement must include a provision that, unless in accordance with a judicial order, the fiscal officer, employees of the fiscal officer, former employees of the fiscal officer, counsel of the fiscal officer, agents of the fiscal officer, or any other person may not divulge the names of the businesses, the amount of taxes paid by the businesses, or any other information disclosed to the fiscal officer by the department.

As added by P.L.178-2002, SEC.72.

IC 6-8.1-3-8

Representation of taxpayers before department; qualifications; requirements

Sec. 8. The department may prescribe qualifications a person must have to represent a taxpayer before the department. However, a person may not represent a taxpayer before the department, unless:

(1) the taxpayer is present at all times when the representation occurs; or

(2) the person representing the taxpayer has a properly executed power of attorney authorizing him to represent the taxpayer.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-3-8.5

Taxpayer hearings

Sec. 8.5. (a) This section applies to a hearing conducted by the department under this article.

(b) A hearing shall be conducted at a time and a location that is reasonable and convenient to the taxpayer whenever possible.

(c) The department shall notify the taxpayer before the hearing that the taxpayer is entitled to:

(1) have a representative qualified under section 8 of this chapter present at the hearing; and

(2) record the hearing.

(d) The department may not record a hearing unless the department notifies the taxpayer before the hearing begins that the department:

(1) intends to record the hearing; and

(2) will provide a copy of the recording to the taxpayer.

As added by P.L.332-1989(ss), SEC.24.

IC 6-8.1-3-9

Office space

Sec. 9. The state of Indiana shall provide suitable office space in

Marion County, where the department shall maintain its primary offices. The department may rent, lease, or otherwise acquire additional office space at locations outside Marion County, if the department feels that efficiency or economy is best served by locating branch offices at those locations. However, an agreement securing office space for a branch office may not extend for a time of more than ten (10) years.
As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-3-10
Contracts for services

Sec. 10. (a) The department may enter into contracts with persons outside the department to provide services that the department feels are necessary to properly administer and collect the listed taxes.

(b) A contract entered into under this section must require the person providing the service to comply with the requirements governing the administration and collection of taxes by the department.
As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.332-1989(ss), SEC.25.

IC 6-8.1-3-11
Mailing of documents

Sec. 11. (a) As used in this section, "secure electronic delivery service" means a service that:

(1) employs security procedures to provide, send, deliver, or otherwise communicate electronic records to the intended recipient using:

(A) security methods such as passwords, encryption, and matching electronic addresses to United States postal addresses; or

(B) other security methods that are consistent with applicable law or industry standards; and

(2) operates subject to the applicable requirements of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7001 et seq.) or IC 5-24.

(b) When a statute specifies that the department is required to send a document by mail, and the particular statute is silent as to the class or type of mailing to be used, the department satisfies the mailing requirement by mailing the document through any of the following methods:

(1) United States first-class mail;

(2) United States registered mail, return receipt requested;

(3) United States certified mail;

(4) a certificate of mailing; or

(5) a secure electronic delivery service, if the use of the secure electronic delivery service is authorized under IC 6-8.1-6-7(b).

Subject to IC 6-8.1-6-7(b), the choice of the method is at the department's discretion.

(c) The department may use any form of mailing in cases where

a mailing is not required by statute.
As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.293-2013(ts), SEC.27.

IC 6-8.1-3-12
Powers; department; county treasurer; audits; appraisals; investigations; statistical sampling

Sec. 12. (a) The department may audit any returns filed in respect to the listed taxes, may appraise property if the property's value relates to the administration or enforcement of the listed taxes, may audit gasoline distributors for financial responsibility, and may investigate any matters relating to the listed taxes.

(b) The department may audit any returns with respect to the listed taxes using statistical sampling. If the taxpayer and the department agree to a sampling method to be used, the sampling method is binding on the taxpayer and the department in determining the total amount of additional tax due or amounts to be refunded.

(c) For purposes of conducting its audit or investigative functions, the department may:

(1) subpoena the production of evidence;
(2) subpoena witnesses; and
(3) question witnesses under oath.

The department may serve its subpoenas, or it may order the sheriff of the county in which the witness or evidence is located to serve the subpoenas.

(d) The department may enforce its audit and investigatory powers by petitioning for a court order in any court of competent jurisdiction located in the county where the tax is due or in the county in which the evidence or witness is located. If the evidence or witness is not located in Indiana or if the department does not know the location of the evidence or witness, the department may file the petition in a court of competent jurisdiction in Marion County. The petition to the court must state the evidence or testimony subpoenaed and must allege that the subpoena was served but that the person did not comply with the terms of that subpoena.

(e) Upon receiving a proper petition under subsection (d), the court shall promptly issue an order which:

(1) sets a hearing on the petition on a date not more than ten (10) days after the date of the order; and
(2) orders the person to appear at the hearing prepared to produce the subpoenaed evidence and give the subpoenaed testimony.

If the defendant is unable to show good cause for not producing the evidence or giving the testimony, the court shall order the defendant to comply with the subpoena.

(f) If the defendant fails to obey the court order, the court may punish the defendant for contempt.

(g) Officers serving subpoenas or court orders and witnesses appearing in court are entitled to the normal compensation provided by law in civil cases. The department shall pay the compensation

costs from the money appropriated for the administration of the listed taxes.

(h) County treasurers investigating tax matters under IC 6-9 have:

(1) concurrent jurisdiction with the department;

(2) the audit, investigatory, appraisal, and enforcement powers described in this section; and

(3) authority to recover court costs, fees, and other expenses related to an audit, investigatory, appraisal, or enforcement action under this section.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.71-1993, SEC.16; P.L.254-2003, SEC.9; P.L.182-2009(ss), SEC.249.

IC 6-8.1-3-13

Criminal prosecutions; civil actions

Sec. 13. (a) The attorney general and the respective county prosecuting attorneys have concurrent jurisdiction in conducting criminal prosecutions of tax matters. Either the attorney general or the respective prosecuting attorney may initiate criminal tax proceedings, and appear before grand juries to report violations, give legal advice, or interrogate witnesses.

(b) Upon request by the department, the attorney general shall prosecute a civil action to collect unpaid taxes, penalties, and interest and to enforce the department's powers.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-3-14

Motor fuel taxes; apportionment on allocation basis; reciprocal agreements; International Fuel Tax Agreement

Sec. 14. (a) The department, on behalf of the state, may enter into and become a member of the International Fuel Tax Agreement or other reciprocal agreements providing for the imposition of motor fuel taxes on an apportionment or allocation basis with the proper authority of any state, any commonwealth, the District of Columbia, a state or province of a foreign country, or a territory or possession of either the United States or of a foreign country.

(b) The department may adopt rules under IC 4-22-2 to carry out and enforce the provisions of the International Fuel Tax Agreement or any other agreement entered into under this section.

(c) If the department enters into the International Fuel Tax Agreement or into any other agreement under this chapter, and if the provisions set forth in that agreement or other agreements:

(1) are different from provisions prescribed by an Indiana statute, then the provisions of the Indiana statute prevail; and

(2) are different from provisions prescribed by the Indiana Administrative Code, then the provisions of the agreement prevail.

This subsection does not affect the operation of IC 6-6-4.1-22, IC 6-6-4.1-23, IC 6-6-4.1-24, IC 6-6-4.1-25, or IC 6-6-4.1-26.

(d) This section constitutes complete authority for the imposition of motor fuel taxes upon an apportionment or allocation basis without

reference to or application of any other statutes of this state.
As added by P.L.106-1987, SEC.1. Amended by P.L.129-2001, SEC.20.

IC 6-8.1-3-15
Report; uncollectible delinquent tax liabilities

Sec. 15. Before February 1 of each year, the department shall submit to the general assembly the age and amount of delinquent tax liabilities that the department determines to be uncollectible.
As added by P.L.6-1987, SEC.10.

IC 6-8.1-3-16
Outstanding tax warrants; list; tax releases; motor vehicle title tax liens; tax collector fees; sheriffs; Internet publication of list of persons with revoked or nonrenewed retail merchant certificates

Sec. 16. (a) The department shall prepare a list of all outstanding tax warrants for listed taxes each month. The list shall identify each taxpayer liable for a warrant by name, address, amount of tax, and either Social Security number or employer identification number. Unless the department renews the warrant, the department shall exclude from the list a warrant issued more than ten (10) years before the date of the list. The department shall certify a copy of the list to the bureau of motor vehicles.

(b) The department shall prescribe and furnish tax release forms for use by tax collecting officials. A tax collecting official who collects taxes in satisfaction of an outstanding warrant shall issue to the taxpayers named on the warrant a tax release stating that the tax has been paid. The department may also issue a tax release:

(1) to a taxpayer who has made arrangements satisfactory to the department for the payment of the tax; or
(2) by action of the commissioner under IC 6-8.1-8-2(k).

(c) The department may not issue or renew:

(1) a certificate under IC 6-2.5-8;
(2) a license under IC 6-6-1.1 or IC 6-6-2.5; or
(3) a permit under IC 6-6-4.1;

to a taxpayer whose name appears on the most recent monthly warrant list, unless that taxpayer pays the tax, makes arrangements satisfactory to the department for the payment of the tax, or a release is issued under IC 6-8.1-8-2(k).

(d) The bureau of motor vehicles shall, before issuing the title to a motor vehicle under IC 9-17, determine whether the purchaser's or assignee's name is on the most recent monthly warrant list. If the purchaser's or assignee's name is on the list, the bureau shall enter as a lien on the title the name of the state as the lienholder unless the bureau has received notice from the commissioner under IC 6-8.1-8-2(k). The tax lien on the title:

(1) is subordinate to a perfected security interest (as defined and perfected in accordance with IC 26-1-9.1); and
(2) shall otherwise be treated in the same manner as other title liens.

(e) The commissioner is the custodian of all titles for which the state is the sole lienholder under this section. Upon receipt of the title by the department, the commissioner shall notify the owner of the department's receipt of the title.

(f) The department shall reimburse the bureau of motor vehicles for all costs incurred in carrying out this section.

(g) Notwithstanding IC 6-8.1-8, a person who is authorized to collect taxes, interest, or penalties on behalf of the department under IC 6-3 or IC 6-3.5 may not, except as provided in subsection (h) or (i), receive a fee for collecting the taxes, interest, or penalties if:

(1) the taxpayer pays the taxes, interest, or penalties as consideration for the release of a lien placed under subsection (d) on a motor vehicle title; or

(2) the taxpayer has been denied a certificate or license under subsection (c) within sixty (60) days before the date the taxes, interest, or penalties are collected.

(h) In the case of a sheriff, subsection (g) does not apply if:

(1) the sheriff collects the taxes, interest, or penalties within sixty (60) days after the date the sheriff receives the tax warrant; or

(2) the sheriff collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(i) In the case of a person other than a sheriff:

(1) subsection (g)(2) does not apply if the person collects the taxes, interests, or penalties within sixty (60) days after the date the commissioner employs the person to make the collection; and

(2) subsection (g)(1) does not apply if the person collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(j) IC 5-14-3-4, IC 6-8.1-7-1, and any other law exempting information from disclosure by the department do not apply to this subsection. The department shall prepare a list of retail merchants whose registered retail merchant certificate has not been renewed under IC 6-2.5-8-1(g) or whose registered retail merchant certificate has been revoked under IC 6-2.5-8-7. The list compiled under this subsection must identify each retail merchant by name (including any name under which the retail merchant is doing business), address, and county. The department shall publish the list compiled under this subsection on the department's Internet web site (as operated under IC 4-13.1-2) and make the list available for public inspection and copying under IC 5-14-3. The department or an agent, employee, or officer of the department is immune from liability for the publication of information under this subsection.

As added by P.L.332-1989(ss), SEC.26. Amended by P.L.2-1991, SEC.52; P.L.277-1993(ss), SEC.50; P.L.57-2000, SEC.2; P.L.192-2002(ss), SEC.141; P.L.81-2004, SEC.41; P.L.177-2005, SEC.29; P.L.182-2009(ss), SEC.250.

IC 6-8.1-3-17
Settlement of tax liability disputes

Sec. 17. (a) Before an original tax appeal is filed with the tax court under IC 33-26, the commissioner may settle any tax liability dispute if a substantial doubt exists as to:

(1) the constitutionality of the tax under the Constitution of the State of Indiana;
(2) the right to impose the tax;
(3) the correct amount of tax due;
(4) the collectibility of the tax; or
(5) whether the taxpayer is a resident or nonresident of Indiana.

(b) After an original tax appeal is filed with the tax court under IC 33-26, and notwithstanding IC 4-6-2-11, the commissioner may settle a tax liability dispute with an amount in contention of twenty-five thousand dollars ($25,000) or less. Notwithstanding IC 6-8.1-7-1(a), the terms of a settlement under this subsection are available for public inspection.

(c) The department shall establish an amnesty program for taxpayers having an unpaid tax liability for a listed tax that was due and payable for a tax period ending before July 1, 2004. A taxpayer is not eligible for the amnesty program for any tax liability resulting from the taxpayer's failure to comply with IC 6-3-1-3.5(b)(3) with regard to the tax imposed by IC 4-33-13. The time in which a voluntary payment of tax liability may be made (or the taxpayer may enter into a payment program acceptable to the department for the payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer) under the amnesty program is limited to the period determined by the department, not to exceed eight (8) regular business weeks ending before the earlier of the date set by the department or July 1, 2006. The amnesty program must provide that, upon payment by a taxpayer to the department of all listed taxes due from the taxpayer for a tax period (or payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer), entry into an agreement that the taxpayer is not eligible for any other amnesty program that may be established and waives any part of interest and penalties on the same type of listed tax that is being granted amnesty in the current amnesty program, and compliance with all other amnesty conditions adopted under a rule of the department in effect on the date the voluntary payment is made, the department:

(1) shall abate and not seek to collect any interest, penalties, collection fees, or costs that would otherwise be applicable;
(2) shall release any liens imposed;
(3) shall not seek civil or criminal prosecution against any individual or entity; and
(4) shall not issue, or, if issued, shall withdraw, an assessment, a demand notice, or a warrant for payment under IC 6-8.1-5-3, IC 6-8.1-8-2, or another law against any individual or entity;

for listed taxes due from the taxpayer for the tax period for which amnesty has been granted to the taxpayer. Amnesty granted under this subsection is binding on the state and its agents. However, failure to pay to the department all listed taxes due for a tax period invalidates any amnesty granted under this subsection for that tax period. The department shall conduct an assessment of the impact of the tax amnesty program on tax collections and an analysis of the costs of administering the tax amnesty program. As soon as practicable after the end of the tax amnesty period, the department shall submit a copy of the assessment and analysis to the legislative council in an electronic format under IC 5-14-6. The department shall enforce an agreement with a taxpayer that prohibits the taxpayer from receiving amnesty in another amnesty program.

(d) For purposes of subsection (c), a liability for a listed tax is due and payable if:

(1) the department has issued:

(A) an assessment of the listed tax and demand for payment under IC 6-8.1-5-3; or

(B) a demand notice for payment of the listed tax under IC 6-8.1-8-2;

(2) the taxpayer has filed a return or an amended return in which the taxpayer has reported a liability for the listed tax; or

(3) the taxpayer has filed a written statement of liability for the listed tax in a form that is satisfactory to the department.

As added by P.L.332-1989(ss), SEC.27. Amended by P.L.28-1997, SEC.25; P.L.98-2004, SEC.72; P.L.236-2005, SEC.1.

IC 6-8.1-3-18
Repealed

(Repealed by P.L.91-2006, SEC.15.)

IC 6-8.1-3-19
Repealed

(Repealed by P.L.64-2014, SEC.73.)

IC 6-8.1-3-20
Duty to enter a memorandum of understanding with the Indiana gaming commission

Sec. 20. (a) The department shall enter a memorandum of understanding with the Indiana gaming commission authorizing the commission's unlawful gaming enforcement division to conduct actions to revoke retail merchant certificates under IC 6-2.5-8-7(g) in the manner specified in the memorandum of understanding.

(b) A memorandum of understanding entered into under this section must comply with the requirements of IC 4-33-19-8.

(c) The memorandum of understanding required by this section must be entered into before January 1, 2008.

As added by P.L.227-2007, SEC.59.

IC 6-8.1-3-21

Indiana to become member of Multistate Tax Commission; cost of membership

Sec. 21. (a) As used in this section, "associate member" has the meaning set forth in bylaw 13(c) of the bylaws of the Multistate Tax Commission, as amended through October 17, 2002.

(b) As used in this section, "biennium" means a period consisting of two (2) consecutive state fiscal years beginning on July 1 of an odd-numbered year.

(c) The governor and the commissioner shall take the steps necessary for Indiana to become an associate member of the Multistate Tax Commission (444 North Capitol Street, NW, Suite 425, Washington, DC 20001).

(d) For a biennium beginning after January 1, 2009, the department shall make a separate request for the cost of membership in the Multistate Tax Commission as part of the department's biennial budget request.

As added by P.L.16-2009, SEC.14.

IC 6-8.1-3-21.2

Information sharing concerning construction workers misclassified as independent contractors

Sec. 21.2. (a) This section applies after December 31, 2009.

(b) As used in this section, "contractor" means:

(1) a sole proprietor;
(2) a partnership;
(3) a firm;
(4) a corporation;
(5) a limited liability company;
(6) an association; or
(7) another legal entity;

that engages in construction and is authorized by law to do business in Indiana. The term includes a general contractor, a subcontractor, and a lower tiered contractor. The term does not include the state, the federal government, or a political subdivision.

(c) The department shall cooperate with the:

(1) department of labor created by IC 22-1-1-1;
(2) worker's compensation board of Indiana created by IC 22-3-1-1(a); and
(3) department of workforce development established by IC 22-4.1-2-1;

by sharing information concerning any suspected improper classification by a contractor of an individual as an independent contractor (as defined in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5)).

(d) For purposes of IC 5-14-3-4, information shared under this section is confidential, may not be published, and is not open to public inspection.

(e) An officer or employee of the department who knowingly or intentionally discloses information that is confidential under this section commits a Class A misdemeanor.

As added by P.L.164-2009, SEC.1.

IC 6-8.1-3-23

Information sharing; business formation

Sec. 23. The department shall, in coordination with the secretary of state, use the Internet web site established under IC 4-5-10 to share information with other state agencies and to provide a single point of contact for any person to accomplish the following:

(1) Completing and submitting an application for a license, registration, or permit that is issued by the department and that is required for the applicant to transact business in the state.

(2) Filing with the department documents that are required for the filer to transact business in the state.

(3) Remitting payments for any fee that must be paid to the department for a payer to transact business in the state, including application fees, filing fees, license fees, permit fees, and registration fees.

As added by P.L.146-2014, SEC.2.

IC 6-8.1-4

Chapter 4. Divisions of the Department

IC 6-8.1-4-1

Establishment of division; division of audit; duties

Sec. 1. (a) The commissioner may establish within the department various divisions to assist in the administration and collection of the listed taxes.

(b) Subject to the discretion of the commissioner as set forth in subsection (c), the commissioner shall establish within the department a division of audit, which shall:

(1) upon the commissioner's request, conduct studies of the department's operations and recommend whatever changes seem advisable;

(2) annually audit a statistical sampling of the returns filed for the listed taxes that are not administered by the special tax division;

(3) review such federal tax returns and other data as may be helpful in performing the audit function;

(4) furnish the commissioner, at the commissioner's request, with information showing the treatment that the Indiana tax statutes are given by the taxpayers and by the taxing officials and with other requested information; and

(5) conduct audits requested by the commissioner or the commissioner's designee.

(c) Notwithstanding the requirements set forth in this chapter regarding the establishment and duties of divisions within the department, if the commissioner finds that a transfer of duties or functions will increase the efficiency of the department, the commissioner may transfer any duties or functions from one (1) division to another division within the department.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.72-1988, SEC.1; P.L.27-1992, SEC.3.

IC 6-8.1-4-1.5

Repealed

(Repealed by P.L.1-1990, SEC.84.)

IC 6-8.1-4-1.6

Special tax division; duties

Sec. 1.6. Subject to the discretion of the commissioner as set forth in section 1 of this chapter, the commissioner shall establish within the department a special tax division. The division shall do the following:

(1) Administer and enforce the following:

(A) Gasoline tax (IC 6-6-1.1).

(B) Special fuel tax (IC 6-6-2.5).

(C) Motor carrier fuel tax (IC 6-6-4.1).

(D) Cigarette tax (IC 6-7-1).

(E) Tobacco products tax (IC 6-7-2).

(F) Alcoholic beverage tax (IC 7.1-4).
(G) Petroleum severance tax (IC 6-8-1).
(H) Any other tax the commissioner designates.

(2) Upon the commissioner's request, conduct studies of the department's operations and recommend whatever changes seem advisable.

(3) Annually audit a statistical sampling of the returns filed for the taxes administered by the division.

(4) Annually audit a statistical sampling of registrants with the bureau of motor vehicles, international registration plan division.

(5) Review federal tax returns and other data that may be helpful in performing the division's function.

(6) Furnish, at the commissioner's request, information that the commissioner requires.

(7) Conduct audits requested by the commissioner or the commissioner's designee.

(8) Administer the statutes providing for motor carrier regulation (IC 8-2.1).

As added by P.L.1-1990, SEC.85. Amended by P.L.27-1992, SEC.4; P.L.277-1993(ss), SEC.51; P.L.192-2002(ss), SEC.142; P.L.220-2014, SEC.3.

IC 6-8.1-4-2
Audit and special tax divisions; powers and duties

Sec. 2. (a) The division of audit may:

(1) have full prompt access to all local and state official records;

(2) have access, through the data processing offices of the various state agencies, to information from government and private sources that is useful in performing its functions;

(3) inspect any books, records, or property of any taxpayer which is relevant to the determination of the taxpayer's tax liabilities;

(4) detect and correct mathematical errors on taxpayer returns;

(5) detect and correct tax evasion; and

(6) employ the use of such devices and techniques as may be necessary to improve audit practices.

(b) Subject to the discretion of the commissioner as set forth in section 1 of this chapter, the special tax division shall do the following:

(1) Develop and maintain a staff to perform the audit function necessary to monitor and enforce the taxes administered by the division.

(2) Develop and maintain a staff to perform the audit function necessary to monitor and enforce the International Registration Plan authorized under IC 9-28-4-6.

(3) Develop and maintain a staff to perform the administrative function of the division.

(c) The special tax division may do the following:

(1) Have full prompt access to all local and state official

records.

(2) Have access, through the data processing offices of the various state agencies, to information from government and private sources that is useful in performing its functions.

(3) Inspect any books, records, or property of any taxpayer that is relevant to the determination of the taxpayer's tax liabilities.

(4) Detect and correct mathematical errors on taxpayer returns.

(5) Detect and correct tax evasion.

(6) Employ the use of the devices and techniques that are necessary to improve audit practices.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.72-1988, SEC.3; P.L.2-1991, SEC.53; P.L.27-1992, SEC.5; P.L.61-1996, SEC.8.

IC 6-8.1-4-3

Personnel of divisions; administration of divisions

Sec. 3. (a) The requirements of this section are subject to the discretion of the commissioner as set forth in section 1 of this chapter.

(b) The commissioner shall assign an adequate number of personnel to the divisions created by this chapter to perform their required functions.

(c) The commissioner shall appoint a separate administrator and a deputy administrator to administer the operation of the division of audit. The administrator and the deputy administrator must have different political affiliations. However, the administrator and deputy administrator of the division of audit must each have at least five (5) years of audit experience and must each have met the examination qualifications required of all division of audit employees.

(d) This subsection applies to the division of audit. The commissioner shall divide the state into not more than twelve (12) audit districts. The commissioner may appoint district managers to manage one (1) or more of those audit districts. Each district manager must be proficient in auditing the various listed taxes, must have at least five (5) years of audit experience, and must have met the examination qualifications required of all division of audit employees.

(e) The commissioner shall appoint an administrator and two (2) deputy administrators to administer the operation of the special tax division. The two (2) deputy administrators must have different political affiliations. The administrator of the special tax division shall assign and supervise staff to perform the division's audit function in each of the districts prescribed by subsection (d).

(f) The commissioner may appoint persons from the division of audit or the special tax division to the position of senior field auditor when those persons have demonstrated a proficiency in auditing the various taxes administered by their respective division. Senior field auditors shall be primarily responsible for audits done on a statewide basis or for audits done out of the state and shall also perform such other duties as the commissioner requests. Before a person may be

appointed as a senior field auditor, the person must either:

(1) have at least five (5) years of audit experience in the division;

(2) be a certified public accountant; or

(3) have performed duties similar to those of a senior field auditor for the federal government or another state for a period of at least ten (10) years.

The state personnel department shall establish and the budget agency shall approve an adequate number of senior field auditor positions to perform the functions required under this subsection.

(g) No employee of the divisions created by this chapter may be required to perform any political activity as a condition for getting or keeping the employee's position or as a condition for receiving promotions or salary increases.

(h) The commissioner and the budget agency shall set the compensation for the staff provided by this chapter.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.72-1988, SEC.4; P.L.3-1989, SEC.42; P.L.27-1992, SEC.6; P.L.100-2012, SEC.21.

IC 6-8.1-4-4

Commercial motor vehicle owners registration center

Sec. 4. (a) The department shall establish a registration center to service owners of commercial motor vehicles.

(b) The registration center is under the supervision of the department through the motor carrier services division.

(c) An owner or operator of a commercial motor vehicle may apply to the registration center for the following:

(1) Vehicle registration (IC 9-18).

(2) Motor carrier fuel tax annual permit.

(3) Proportional use credit certificate (IC 6-6-4.1-4.7).

(4) Certificate of operating authority.

(5) Oversize vehicle permit (IC 9-20-3).

(6) Overweight vehicle permit (IC 9-20-4).

(7) Payment of the commercial vehicle excise tax imposed under IC 6-6-5.5.

(d) The commissioner may deny an application described in subsection (c) if the applicant fails to do any of the following with respect to a listed tax:

(1) File all tax returns or information reports.

(2) Pay all taxes, penalties, and interest.

(e) The commissioner may:

(1) deny an application for an oversize vehicle permit, an overweight vehicle permit, or a single oversize-overweight permit; or

(2) suspend any permit issued to a person;

if the applicant or permit holder is delinquent in paying escort fees to the state police department.

(f) The commissioner may suspend or revoke any registration, permit, certificate, or authority if the person to whom the registration,

permit, certificate, or authority is issued fails to do any of the following with respect to a listed tax:

(1) File all tax returns or information reports.

(2) Pay all taxes, penalties, and interest.

(g) Funding for the development and operation of the registration center shall be taken from the motor carrier regulation fund (IC 8-2.1-23-1).

(h) The department shall recommend to the general assembly other functions that the registration center may perform.

As added by P.L.72-1988, SEC.5. Amended by P.L.2-1991, SEC.54; P.L.61-1996, SEC.9; P.L.119-1998, SEC.16; P.L.181-1999, SEC.5; P.L.222-1999, SEC.7; P.L.176-2006, SEC.6; P.L.190-2014, SEC.25.

IC 6-8.1-5

Chapter 5. Assessment of Taxes

IC 6-8.1-5-1

Proposed assessment; notice; protest; hearing; letter of findings; rehearing; appeal; demand for payment

Sec. 1. (a) As used in this section, "letter of findings" includes a supplemental letter of findings.

(b) If the department reasonably believes that a person has not reported the proper amount of tax due, the department shall make a proposed assessment of the amount of the unpaid tax on the basis of the best information available to the department. The amount of the assessment is considered a tax payment not made by the due date and is subject to IC 6-8.1-10 concerning the imposition of penalties and interest. The department shall send the person a notice of the proposed assessment through the United States mail.

(c) If the person has a surety bond guaranteeing payment of the tax for which the proposed assessment is made, the department shall furnish a copy of the proposed assessment to the surety. The notice of proposed assessment is prima facie evidence that the department's claim for the unpaid tax is valid. The burden of proving that the proposed assessment is wrong rests with the person against whom the proposed assessment is made.

(d) The notice shall state that the person has forty-five (45) days from the date the notice is mailed, if the notice was mailed before January 1, 2011, and sixty (60) days from the date the notice is mailed, if the notice was mailed after December 31, 2010, to pay the assessment or to file a written protest. If the person files a protest and requires a hearing on the protest, the department shall:

(1) set the hearing at the department's earliest convenient time; and

(2) notify the person by United States mail of the time, date, and location of the hearing.

(e) The department may hold the hearing at the location of its choice within Indiana if that location complies with IC 6-8.1-3-8.5.

(f) No later than sixty (60) days after conducting a hearing on a protest, or after making a decision on a protest when no hearing is requested, the department shall issue a letter of findings and shall send a copy of the letter through the United States mail to the person who filed the protest and to the person's surety, if the surety was notified of the proposed assessment under subsection (b). The department may continue the hearing until a later date if the taxpayer presents additional information at the hearing or the taxpayer requests an opportunity to present additional information after the hearing.

(g) A person that disagrees with a decision in a letter of findings may request a rehearing not more than thirty (30) days after the date on which the letter of findings is issued by the department. The department shall consider the request and may grant the rehearing if the department reasonably believes that a rehearing would be in the best interests of the taxpayer and the state.

(h) If a person disagrees with a decision in a letter of findings, the person may appeal the decision to the tax court. However, the tax court does not have jurisdiction to hear an appeal that is filed more than sixty (60) days after the date on which:

(1) the letter of findings is issued by the department, if the person does not make a timely request for a rehearing under subsection (g) on the letter of findings; or

(2) the department issues a denial of the person's timely request for a rehearing under subsection (g) on the letter of findings.

(i) The tax court shall hear an appeal under subsection (h) de novo and without a jury. The tax court may do the following:

(1) Uphold or deny any part of the assessment that is appealed.

(2) Assess the court costs in a manner that the court believes to be equitable.

(3) Enjoin the collection of a listed tax under IC 33-26-6-2.

(j) The department shall demand payment, as provided in IC 6-8.1-8-2(a), of any part of the proposed tax assessment, interest, and penalties that it finds owing because:

(1) the person failed to properly respond within the forty-five (45) day period;

(2) the person requested a hearing but failed to appear at that hearing; or

(3) after consideration of the evidence presented in the protest or hearing, the department finds that the person still owes tax.

(k) The department shall make the demand for payment in the manner provided in IC 6-8.1-8-2.

(l) Subsection (b) does not apply to a motor carrier fuel tax return.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.332-1989(ss), SEC.28; P.L.60-1990, SEC.12; P.L.71-1993, SEC.17; P.L.98-2004, SEC.73; P.L.111-2006, SEC.4; P.L.1-2007, SEC.67; P.L.172-2011, SEC.86.

IC 6-8.1-5-2

Time limitation on issuance of proposed assessment; extension; erroneous refunds

Sec. 2. (a) Except as otherwise provided in this section, the department may not issue a proposed assessment under section 1 of this chapter more than three (3) years after the latest of the date the return is filed, or either of the following:

(1) The due date of the return.

(2) In the case of a return filed for the state gross retail or use tax, the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax, the end of the calendar year which contains the taxable period for which the return is filed.

(b) If a person files a utility receipts tax return (IC 6-2.3), an adjusted gross income tax (IC 6-3), supplemental net income tax (IC 6-3-8) (repealed), county adjusted gross income tax (IC 6-3.5-1.1), county option income tax (IC 6-3.5-6), or financial institutions tax (IC 6-5.5) return that understates the person's income, as that term is

defined in the particular income tax law, by at least twenty-five percent (25%), the proposed assessment limitation is six (6) years instead of the three (3) years provided in subsection (a).

(c) In the case of the motor vehicle excise tax (IC 6-6-5), the tax shall be assessed as provided in IC 6-6-5-5 and IC 6-6-5-6 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5 is considered to have failed to file a return for purposes of this article.

(d) In the case of the commercial vehicle excise tax imposed under IC 6-6-5.5, the tax shall be assessed as provided in IC 6-6-5.5 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a commercial vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5.5 is considered to have failed to file a return for purposes of this article.

(e) In the case of the excise tax imposed on recreational vehicles and truck campers under IC 6-6-5.1, the tax shall be assessed as provided in IC 6-6-5.1 and must include the penalties and interest due on all listed taxes not paid by the due date. A person who fails to properly register a recreational vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5.1 is considered to have failed to file a return for purposes of this article. A person who fails to pay the tax due under IC 6-6-5.1 on a truck camper is considered to have failed to file a return for purposes of this article.

(f) If a person files a fraudulent, unsigned, or substantially blank return, or if a person does not file a return, there is no time limit within which the department must issue its proposed assessment.

(g) If any part of a listed tax has been erroneously refunded by the department, the erroneous refund may be recovered through the assessment procedures established in this chapter. An assessment issued for an erroneous refund must be issued:

(1) within two (2) years after making the refund; or

(2) within five (5) years after making the refund if the refund was induced by fraud or misrepresentation.

(h) If, before the end of the time within which the department may make an assessment, the department and the person agree to extend that assessment time period, the period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must contain:

(1) the date to which the extension is made; and

(2) a statement that the person agrees to preserve the person's records until the extension terminates.

The department and a person may agree to more than one (1) extension under this subsection.

(i) If a taxpayer's federal income tax liability for a taxable year is modified due to the assessment of a federal deficiency or the filing of an amended federal income tax return, then the date by which the department must issue a proposed assessment under section 1 of this chapter for tax imposed under IC 6-3 is extended to six (6) months after the date on which the notice of modification is filed with the

department by the taxpayer.
As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.73-1983, SEC.16; P.L.82-1983, SEC.11; P.L.76-1985, SEC.6; P.L.335-1989(ss), SEC.19; P.L.347-1989(ss), SEC.18; P.L.2-1991, SEC.55; P.L.28-1997, SEC.26; P.L.181-1999, SEC.6; P.L.192-2002(ss), SEC.143; P.L.131-2008, SEC.28; P.L.182-2009(ss), SEC.251.

IC 6-8.1-5-2.5
Correcting assessment notice; responsible party; exemption from time limitations

Sec. 2.5. (a) If the department determines that a proposed assessment notice includes an individual who is not responsible for the tax liability, a new assessment may be made naming only the taxpayer that is responsible for the tax liability.

(b) For assessments made under subsection (a), the time limitation for assessments in section 2 of this chapter does not apply.
As added by P.L.254-2003, SEC.10.

IC 6-8.1-5-3
Jeopardy assessment; jeopardy tax warrant; levy and sale; bond

Sec. 3. (a) If at any time the department finds that a person owing taxes intends to quickly leave the state, remove his property from the state, conceal his property in the state, or do any other act that would jeopardize the collection of those taxes, the department may declare the person's tax period at an end, may immediately make an assessment for the taxes owing, and may demand immediate payment of the amount due, without providing the notice required in IC 6-8.1-8-2.

(b) If the department has sent a notice of proposed assessment under section 1 of this chapter to a taxpayer by United States mail and the notice is returned to the department because the taxpayer has moved and the department is unable to determine the taxpayer's new address, the department may:

(1) declare the person's tax period at an end;
(2) immediately make an assessment for the taxes owing; and
(3) demand immediate payment of the amount due;

without providing the notice required in IC 6-8.1-8-2.

(c) If the payment is not made immediately, the department may issue or request the state police department to serve a jeopardy tax warrant against the person and, either without or with the assistance of the sheriffs of any counties in the state, may levy on and sell the person's property which is located in those counties. In place of the levy and sale procedure, the department may accept from the person a bond for the payment of the taxes, if the bond is in an amount at least equal to the amount of the total liability and if the bond is through a surety acceptable to the department.
As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.26-1985, SEC.14; P.L.129-2001, SEC.21.

IC 6-8.1-5-4

Books and records; federal returns; inspection

Sec. 4. (a) Every person subject to a listed tax must keep books and records so that the department can determine the amount, if any, of the person's liability for that tax by reviewing those books and records. The records referred to in this subsection include all source documents necessary to determine the tax, including invoices, register tapes, receipts, and canceled checks.

(b) A person must retain the books and records described in subsection (a), and any state or federal tax return that the person has filed:

(1) for an unlimited period, if the person fails to file a return or receives notice from the department that the person has filed a suspected fraudulent return, or an unsigned or substantially blank return; or

(2) in all other cases, for a period of at least three (3) years after the date the final payment of the particular tax liability was due, unless after an audit, the department consents to earlier destruction.

In addition, if the limitation on assessments provided in section 2 of this chapter is extended beyond three (3) years for a particular tax liability, the person must retain the books and records until the assessment period is over.

(c) A person must allow inspection of the books and records and returns by the department or its authorized agents at all reasonable times.

(d) A person must, on request by the department, furnish a copy of any federal returns that he has filed.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.6-1987, SEC.11; P.L.71-1993, SEC.18.

IC 6-8.1-5-5

Information to be provided by person conducting or sponsoring an event at a qualified motorsports facility; additional reporting

Sec. 5. (a) Any person or entity that conducts or sponsors a professional motorsports racing event at a qualified motorsports facility (as defined in IC 5-1-17.5-14) shall provide to the department a list of persons or entities to whom prize money, purses, or other amounts are distributed and any other such information as requested by the department.

(b) Any person or entity that directly or indirectly receives or is attributed as receiving prize money, purses, or other amounts as the result of a professional motorsports racing event at a qualified motorsports facility (as defined by IC 5-1-17.5-14) shall provide to the department a list of persons or entities that receive or are attributed as receiving prize money and purses, and any other such information as requested by the department.

As added by P.L.233-2013, SEC.10.

IC 6-8.1-5-6

Motor carrier fuel tax and surcharge tax; records or reports; audits or examinations; reimbursement

Sec. 6. (a) If a record or report maintained outside Indiana is required by the department with respect to the administration or collection of the motor carrier fuel tax and surcharge tax under IC 6-6-4.1, the department may require the taxpayer or carrier to make the record or report available at a location in Indiana.

(b) If a taxpayer or carrier fails to make a report or record available to the department at a location in Indiana, the department may require the taxpayer or carrier to reimburse the department in an amount equal to:

(1) the per diem paid to state employees multiplied by the number of days attributable to the audit or examination, including travel days; plus

(2) the lesser of:

(A) the expenses incurred by the department for lodging and travel; or

(B) four (4) times the amount determined under subdivision (1).

(c) A reimbursement received by the department under this section shall be used by the department to pay the expenses incurred in conducting out-of-state audits and examinations.

As added by P.L.8-1988, SEC.8.

IC 6-8.1-6

Chapter 6. Filing and Due Dates

IC 6-8.1-6-1 Version a

Extension; payments; statement of reasons; additional extensions; federal extensions; interest on unpaid taxes

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 1. (a) If a person responsible for filing a tax return is unable to file the return by the appropriate due date, he may petition the department, before that due date, for a filing extension. The person must include with the petition a payment of at least ninety percent (90%) of the tax that is reasonably expected to be due on the due date. When the department receives the petition and the payment, the department shall grant the person a sixty (60) day extension.

(b) If a person responsible for filing a tax return has received an extension of the due date and is still unable to file the return by the extended due date, he may petition the department for another extension. The person must include in the petition a statement of the reasons for his inability to file the return by the due date. If the department finds that the person's petition is proper and that the person has good cause for requesting the extension, the department may extend the person's due date for any period that the department deems reasonable under the circumstances. The department may allow additional, successive extensions if the person properly petitions for the extension before the end of his current extension period.

(c) If the Internal Revenue Service allows a person an extension on his federal income tax return, the corresponding due dates for the person's Indiana income tax returns are automatically extended for the same period as the federal extension, plus thirty (30) days. However, the person must pay at least ninety percent (90%) of the Indiana income tax that is reasonably expected to be due on the original due date by that due date, or he may be subject to the penalties imposed for failure to pay the tax.

(d) Any tax that remains unpaid during an extension period accrues interest at a rate established under IC 6-8.1-10-1 from the original due date, but that tax will not accrue any late payment penalties until the extension period has ended.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.48-1994, SEC.1.

IC 6-8.1-6-1 Version b

Due date extensions; requirements; tax payments; penalties and interest

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 1. (a) This subsection does not apply to a person's Indiana adjusted gross income tax return or a person's financial institutions tax return. If a person responsible for filing a tax return is unable to

file the return by the appropriate due date, the person may petition the department, before that due date, for a filing extension. When the department receives the petition, the department shall grant the person a sixty (60) day extension.

(b) If a person responsible for filing a tax return has received an extension of the due date and is still unable to file the return by the extended due date, the person may petition the department for another extension. The person must include in the petition a statement of the reasons for the person's inability to file the return by the due date. If the department finds that the person's petition is proper and that the person has good cause for requesting the extension, the department may extend the person's due date for any period that the department deems reasonable under the circumstances. The department may allow additional, successive extensions if the person properly petitions for the extension before the end of the person's current extension period.

(c) The following apply only to a person's Indiana adjusted gross income tax return or a person's financial institutions tax return:

(1) If the Internal Revenue Service allows a person an extension on the person's federal income tax return, the corresponding due dates for the person's Indiana income tax returns are automatically extended for the same period as the federal extension, plus thirty (30) days.

(2) If a person petitions the department for a filing extension for the person's Indiana adjusted gross income tax return or financial institutions tax return without obtaining an extension for filing the person's federal income tax return, the department shall extend the person's due date for the person's Indiana adjusted gross income tax return or financial institutions tax return for the same period that the person would have been allowed under subdivision (1) if the person had been granted an extension by the Internal Revenue Service.

(d) A person submitting a petition for an extension under this section is not required to include any payment of tax with the petition. However, a person obtaining an extension under this section must pay at least ninety percent (90%) of the tax that is reasonably expected to be due on the original due date by that due date, or the person may be subject to the penalties imposed for failure to pay the tax.

(e) Any tax that remains unpaid during an extension period accrues interest at a rate established under IC 6-8.1-10-1 from the original due date, but that tax will not accrue any late payment penalties until the extension period has ended. Any penalties must be determined based on the amount of tax not paid on or before the end of the extension period after application of payments provided under IC 6-8.1-8-1.5 and determined as of the deadline of the extension period.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.48-1994, SEC.1; P.L.190-2014, SEC.26.

IC 6-8.1-6-2
Saturdays, Sundays, and holidays

Sec. 2. If any due date falls on a Saturday, a Sunday, a national legal holiday recognized by the federal government, or a statewide holiday, the act that must be performed by that date is timely if performed by the next succeeding day that is not a Saturday, a Sunday, or one of those holidays.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-6-3
Date of filing

Sec. 3. (a) A document, including a form, a return, a payment, or a writing of any type, which must be filed with the department by a prescribed date, is considered filed:

(1) in cases where it is mailed through the United States mail, on the date displayed on the post office cancellation mark stamped on the document's wrapper;

(2) in cases where it is delivered to the department in any manner other than through the United States mail, on the date on which the department physically receives the document; or

(3) in cases where a payment is made by an electronic fund transfer, on the date the taxpayer issues the payment order for the electronic fund transfer.

(b) If a document is sent through the United States mail by registered mail, certified mail, or certificate of mailing, then the date of the registration, certification, or certificate, as evidenced by any record authenticated by the United States Post Office, is considered the postmark date.

(c) If a document is mailed to the department through the United States mail and is physically received after the appropriate due date without a legible correct postmark, the person who mailed the document will be considered to have filed the document on or before the due date if the person can show by reasonable evidence to the department that the document was deposited in the United States mail on or before the due date.

(d) If a document is mailed to, but not received by, the department, the person who mailed the document will be considered to have filed the document on or before the due date if the person can show by reasonable evidence to the department that the document was deposited in the United States mail on or before the due date and if the person files with the department a duplicate document within thirty (30) days after the date the department sends notice that the document was not received.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.92-1987, SEC.9; P.L.63-1988, SEC.15; P.L.211-2007, SEC.41.

IC 6-8.1-6-4
Certification of returns and forms

Sec. 4. All returns and forms that a person is required to file under the provisions of law relating to any of the listed taxes must be

certified true under penalties of perjury.
As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-6-4.5
Rounding to nearest whole dollar

Sec. 4.5. A taxpayer that is required under IC 6-3-4-1 to file a return shall round to the nearest whole dollar an amount or item reported on the return. The following apply if an amount or item is rounded:

(1) An amount or item of at least fifty cents ($0.50) must be rounded up to the nearest whole dollar.

(2) An amount or item of less than fifty cents ($0.50) must be rounded down to the nearest whole dollar.

As added by P.L.119-1998, SEC.17. Amended by P.L.182-2009(ss), SEC.252.

IC 6-8.1-6-5
Taxpayer return; itemization of income derived from sources outside Indiana

Sec. 5. The department shall request from each taxpayer the amount of the taxpayer's gross income (as defined in Section 61 of the Internal Revenue Code) derived from sources within or outside Indiana using the provisions applicable to determining the source of adjusted gross income that are set forth in IC 6-3-2-2. The taxpayer shall itemize the amount of gross income derived from each source.
As added by P.L.335-1989(ss), SEC.20. Amended by P.L.254-2003, SEC.11.

IC 6-8.1-6-6
Repealed

(Repealed by P.L.18-1994, SEC.47.)

IC 6-8.1-6-7
Electronic filing of returns or documents; rules

Sec. 7. (a) Notwithstanding any other provisions of this title, the commissioner may permit the filing of any return or document by electronic data submission.

(b) This subsection applies to a taxpayer required to report and remit state gross retail taxes or amounts withheld under IC 6-3-4-8 electronically. If the taxpayer provides written consent to the department, the department may provide the taxpayer with any documents that would otherwise require delivery by mail by using a secure electronic delivery service developed by the department under IC 6-8.1-3-11.

(c) The department may adopt rules to establish procedures to implement this section.
As added by P.L.71-1993, SEC.19. Amended by P.L.293-2013(ts), SEC.28.

IC 6-8.1-6-8

Information concerning municipal taxpayers

Sec. 8. (a) Beginning after December 31, 2010, the department in cooperation with the department of local government finance and the budget agency shall provide information annually that:

(1) identifies the total number of individual taxpayers that live within a particular incorporated city or town;

(2) identifies the total individual adjusted gross income of those taxpayers; and

(3) includes any other information that:

(A) can be abstracted from the taxpayers' individual income tax returns; and

(B) is necessary to obtain information concerning individual income taxation under IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7;

as agreed to by the department and the legislative services agency.

(b) As used in this subsection, "authorized agency" refers to the legislative services agency or the budget agency. As used in this subsection, "director" refers to the executive director of the legislative services agency or the director of the budget agency. The department shall provide access to the information described in subsection (a) in electronic format to an authorized agency:

(1) upon receipt of a written request from the director of the authorized agency; and

(2) upon the director's agreement that any information accessed (other than aggregate data) will be kept confidential and used solely for official purposes.

As added by P.L.182-2009(ss), SEC.253.

IC 6-8.1-7

Chapter 7. Confidentiality

IC 6-8.1-7-1

Confidentiality of tax information; court orders; persons eligible to receive tax information

Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to:

(1) members and employees of the department;

(2) the governor;

(3) a member of the general assembly or an employee of the house of representatives or the senate when acting on behalf of a taxpayer located in the member's legislative district who has provided sufficient information to the member or employee for the department to determine that the member or employee is acting on behalf of the taxpayer;

(4) the attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes; or

(5) any authorized officers of the United States;

when it is agreed that the information is to be confidential and to be used solely for official purposes.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:

(1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and

(2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family resources, and to any director of a county office of the division of family resources located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding

provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to a postsecondary educational institution may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved postsecondary educational institutions (as defined by IC 21-7-13-6(a)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

(1) the state agency shows an official need for the information; and

(2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.

(g) The information described in subsection (a) may be revealed upon the receipt of a written request from the chief law enforcement officer of a state or local law enforcement agency in Indiana when it is agreed that the information is to be confidential and to be used solely for official purposes.

(h) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(k) may be released solely for tax collection purposes to township assessors and county assessors.

(i) The department shall notify the appropriate innkeepers' tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(j) All information relating to the delinquency or evasion of the motor vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) All information relating to the delinquency or evasion of

commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(m) All information relating to the delinquency or evasion of the excise taxes imposed on recreational vehicles and truck campers that are payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.1.

(n) This section does not apply to:

(1) the beer excise tax, including brand and packaged type (IC 7.1-4-2);
(2) the liquor excise tax (IC 7.1-4-3);
(3) the wine excise tax (IC 7.1-4-4);
(4) the hard cider excise tax (IC 7.1-4-4.5);
(5) the malt excise tax (IC 7.1-4-5);
(6) the motor vehicle excise tax (IC 6-6-5);
(7) the commercial vehicle excise tax (IC 6-6-5.5); and
(8) the fees under IC 13-23.

(o) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under IC 6-2.5-6-14.2.

(p) The name and business address of a person licensed by the department under IC 6-6 or IC 6-7 may be released for the purpose of reporting the status of the person's license.

(q) The department may release information concerning total incremental tax amounts under:

(1) IC 5-28-26;
(2) IC 36-7-13;
(3) IC 36-7-26;
(4) IC 36-7-27;
(5) IC 36-7-31;
(6) IC 36-7-31.3; or
(7) any other statute providing for the calculation of incremental state taxes that will be distributed to or retained by a political subdivision or other entity;

to the fiscal officer of the political subdivision or other entity that established the district or area from which the incremental taxes were received if that fiscal officer enters into an agreement with the department specifying that the political subdivision or other entity will use the information solely for official purposes.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.95-1983, SEC.1; P.L.42-1984, SEC.5; P.L.57-1985, SEC.3; P.L.6-1987, SEC.12; P.L.65-1988, SEC.2; P.L.335-1989(ss), SEC.21; P.L.2-1992, SEC.72; P.L.4-1993, SEC.11; P.L.5-1993, SEC.23; P.L.71-1993, SEC.20; P.L.277-1993(ss), SEC.52; P.L.1-1994, SEC.31; P.L.85-1995, SEC.33; P.L.67-1996, SEC.1; P.L.119-1998, SEC.18; P.L.181-1999, SEC.7; P.L.177-1999, SEC.2; P.L.215-2001,

SEC.12; P.L.204-2001, SEC.14; P.L.254-2003, SEC.12; P.L.145-2006, SEC.19; P.L.111-2006, SEC.5; P.L.2-2007, SEC.129; P.L.219-2007, SEC.92; P.L.146-2008, SEC.359; P.L.131-2008, SEC.29; P.L.1-2009, SEC.58; P.L.44-2009, SEC.2; P.L.182-2009(ss), SEC.254; P.L.205-2013, SEC.131; P.L.227-2013, SEC.20; P.L.261-2013, SEC.38; P.L.293-2013(ts), SEC.29; P.L.2-2014, SEC.31.

IC 6-8.1-7-2
Statistical studies derived from tax returns; disclosure of results; information as to individuals filing returns

Sec. 2. (a) The department may compile statistical studies from information derived from state tax returns and may disclose the results of those studies. In addition, the department may disclose statistical information from the state tax returns to the governor, the general assembly, or another state agency, for the purpose of allowing those governmental entities to conduct their own statistical studies.

(b) Notwithstanding subsection (a), the department may not disclose the results of any study and may not disclose any statistical information if, as a result of that disclosure:

(1) the identity of a taxpayer who filed a return would be disclosed;

(2) the identity of a taxpayer could reasonably be associated with any of the information which was derived from his return for use in a statistical study; or

(3) the ability of the department to obtain information from federal tax returns would, in the department's judgment, be jeopardized in any manner.

(c) Subject to the rules and regulations of the department, a person may request information as to whether an individual filed an income tax return pursuant to the Indiana income tax laws for a particular taxable year. However, the department may not disclose that information with respect to any taxable year until the close of the calendar year following the year in which the return should have been filed. As soon as practicable after the close of that calendar year, the department shall inform the person making the request whether the return was filed.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-7-3
Violation; offense

Sec. 3. A person who violates the provisions of this chapter commits a Class C misdemeanor. In addition, if the person is an officer or employee of the state, he shall be immediately dismissed from his office or employment.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-8
Chapter 8. Collection

IC 6-8.1-8-1
Form of payment; receipt

Sec. 1. (a) A person may make a tax payment:

(1) in cash;
(2) by bank draft;
(3) by check;
(4) by cashier's check;
(5) by money order;
(6) by credit card, debit card, charge card, or similar method; or
(7) if approved by the department, by an electronic fund transfer (as defined in IC 4-8.1-2-7).

However, if a tax liability payment is made by bank draft, check, cashier's check, or money order, the liability is not finally discharged and the person has not paid the tax until the draft, check, or money order has been honored by the institution on which it is drawn. If the payment is made by credit card, debit card, charge card, or similar method, the liability is not finally discharged and the person has not paid the tax until the department receives payment or credit from the institution responsible for making the payment or credit. The department may contract with a bank or credit card vendor for acceptance of bank or credit cards. However, if there is a vendor transaction charge or discount fee, whether billed to the department or charged directly to the department's account, the department or credit card vendor may collect from the person using the bank or credit card a fee that may not exceed the highest transaction charge or discount fee charged to the department by the bank or credit card vendor during the most recent collection period. This fee may be collected regardless of any agreement between the bank and a credit card vendor or regardless of any internal policy of the credit card vendor that may prohibit this type of fee. The fee is a permitted additional charge under IC 24-4.5-3-202.

(b) The department shall issue a receipt for a tax payment that is made with currency.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.92-1987, SEC.10; P.L.71-1993, SEC.21; P.L.18-1994, SEC.41.

IC 6-8.1-8-1.5
Partial payment of tax

Sec. 1.5. Whenever a taxpayer makes a partial payment on the taxpayer's tax liability, the department shall apply the partial payment in the following order:

(1) To any penalty owed by the taxpayer.
(2) To any interest owed by the taxpayer.
(3) To the tax liability of the taxpayer.

As added by P.L.26-1985, SEC.15.

IC 6-8.1-8-1.7

Required periodic payments by electronic funds transfer

Sec. 1.7. The department may require a person who is paying the person's outstanding gross retail tax or withholding tax liability using periodic payments to make the periodic payment by electronic funds transfer through an automatic withdrawal from the person's account at a financial institution.

As added by P.L.182-2009(ss), SEC.255.

IC 6-8.1-8-2

Demand notice; issuance of tax warrant; recording of warrant becomes judgment creating lien; release of judgment; sheriff; voiding of lien if department does not file action to foreclose

Sec. 2. (a) Except as provided in IC 6-8.1-5-3 and sections 16 and 17 of this chapter, the department must issue a demand notice for the payment of a tax and any interest or penalties accrued on the tax, if a person files a tax return without including full payment of the tax or if the department, after ruling on a protest, finds that a person owes the tax before the department issues a tax warrant. The demand notice must state the following:

(1) That the person has ten (10) days from the date the department mails the notice to either pay the amount demanded or show reasonable cause for not paying the amount demanded.

(2) The statutory authority of the department for the issuance of a tax warrant.

(3) The earliest date on which a tax warrant may be filed and recorded.

(4) The statutory authority for the department to levy against a person's property that is held by a financial institution.

(5) The remedies available to the taxpayer to prevent the filing and recording of the judgment.

If the department files a tax warrant in more than one (1) county, the department is not required to issue more than one (1) demand notice.

(b) If the person does not pay the amount demanded or show reasonable cause for not paying the amount demanded within the ten (10) day period, the department may issue a tax warrant for the amount of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs, and fees established under section 4(b) of this chapter when applicable.

When the department issues a tax warrant, a collection fee of ten percent (10%) of the unpaid tax is added to the total amount due.

(c) When the department issues a tax warrant, it may not file the warrant with the circuit court clerk of any county in which the person owns property until at least twenty (20) days after the date the demand notice was mailed to the taxpayer. The department may also send the warrant to the sheriff of any county in which the person owns property and direct the sheriff to file the warrant with the circuit court clerk:

(1) at least twenty (20) days after the date the demand notice was mailed to the taxpayer; and

(2) no later than five (5) days after the date the department

issues the warrant.

(d) When the circuit court clerk receives a tax warrant from the department or the sheriff, the clerk shall record the warrant by making an entry in the judgment debtor's column of the judgment record, listing the following:

(1) The name of the person owing the tax.

(2) The amount of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs, and fees established under section 4(b) of this chapter when applicable.

(3) The date the warrant was filed with the clerk.

(e) When the entry is made, the total amount of the tax warrant becomes a judgment against the person owing the tax. The judgment creates a lien in favor of the state that attaches to all the person's interest in any:

(1) chose in action in the county; and

(2) real or personal property in the county;

excepting only negotiable instruments not yet due.

(f) A judgment obtained under this section is valid for ten (10) years from the date the judgment is filed. The department may renew the judgment for additional ten (10) year periods by filing an alias tax warrant with the circuit court clerk of the county in which the judgment previously existed.

(g) A judgment arising from a tax warrant in a county shall be released by the department:

(1) after the judgment, including all accrued interest to the date of payment, has been fully satisfied; or

(2) if the department determines that the tax assessment or the issuance of the tax warrant was in error.

(h) If the department determines that the filing of a tax warrant was in error, the department shall mail a release of the judgment to the taxpayer and the circuit court clerk of each county where the warrant was filed. The circuit court clerk of each county where the warrant was filed shall expunge the warrant from the judgment debtor's column of the judgment record. The department shall mail the release and the order for the warrant to be expunged as soon as possible but no later than seven (7) days after:

(1) the determination by the department that the filing of the warrant was in error; and

(2) the receipt of information by the department that the judgment has been recorded under subsection (d).

(i) If the department determines that a judgment described in subsection (h) is obstructing a lawful transaction, the department shall immediately upon making the determination mail:

(1) a release of the judgment to the taxpayer; and

(2) an order requiring the circuit court clerk of each county where the judgment was filed to expunge the warrant.

(j) A release issued under subsection (h) or (i) must state that the filing of the tax warrant was in error. Upon the request of the taxpayer, the department shall mail a copy of a release and the order for the warrant to be expunged issued under subsection (h) or (i) to

each major credit reporting company located in each county where the judgment was filed.

(k) The commissioner shall notify each state agency or officer supplied with a tax warrant list of the issuance of a release under subsection (h) or (i).

(l) If the sheriff collects the full amount of a tax warrant, the sheriff shall disburse the money collected in the manner provided in section 3(c) of this chapter. If a judgment has been partially or fully satisfied by a person's surety, the surety becomes subrogated to the department's rights under the judgment. If a sheriff releases a judgment:

(1) before the judgment is fully satisfied;

(2) before the sheriff has properly disbursed the amount collected; or

(3) after the sheriff has returned the tax warrant to the department;

the sheriff commits a Class B misdemeanor and is personally liable for the part of the judgment not remitted to the department.

(m) A lien on real property described in subsection (e)(2) is void if both of the following occur:

(1) The person owing the tax provides written notice to the department to file an action to foreclose the lien.

(2) The department fails to file an action to foreclose the lien not later than one hundred eighty (180) days after receiving the notice.

(n) A person who gives notice under subsection (m) by registered or certified mail to the department may file an affidavit of service of the notice to file an action to foreclose the lien with the circuit court clerk in the county in which the property is located. The affidavit must state the following:

(1) The facts of the notice.

(2) That more than one hundred eighty (180) days have passed since the notice was received by the department.

(3) That no action for foreclosure of the lien is pending.

(4) That no unsatisfied judgment has been rendered on the lien.

(o) Upon receipt of the affidavit described in subsection (n), the circuit court clerk shall make an entry showing the release of the judgment lien in the judgment records for tax warrants.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.332-1989(ss), SEC.29; P.L.71-1993, SEC.22; P.L.18-1994, SEC.42; P.L.129-2001, SEC.22; P.L.111-2006, SEC.6; P.L.172-2011, SEC.87; P.L.99-2011, SEC.1; P.L.6-2012, SEC.57; P.L.293-2013(ts), SEC.30.

IC 6-8.1-8-3

Judgments arising from tax warrants; collection

Sec. 3. (a) The county sheriff of a county shall attempt to levy on and collect a judgment arising from a tax warrant in that county for a period of one hundred twenty (120) days from the date the judgment lien is entered, unless the sheriff is relieved of that duty at

an earlier time by the department. The sheriff shall also have authority to attempt to levy on and collect the outstanding tax liability if the taxpayer does not pay the amount demanded under section 2(b) of this chapter and the taxpayer has taken an action under section 2(n) of this chapter to foreclose the lien. The sheriff's authority to collect the warrant exists only while the sheriff holds the tax warrant, and if the sheriff surrenders the warrant to the department for any reason the sheriff's authority to collect that tax warrant ceases. During the period that the sheriff has the duty to collect a tax warrant, the sheriff shall collect from the person owing the tax, an amount equal to the amount of the judgment lien plus the accrued interest to the date of the payment. Subject to subsection (b), the sheriff shall make the collection by garnisheeing the person's wages and by levying on and selling any interest in property or rights in any chose in action that the person has in the county. The Indiana laws which provide relief for debtors by exempting certain property from levy by creditors do not apply to levy and sale proceedings for judgments arising from tax warrants.

(b) A sheriff shall sell property to satisfy a tax warrant in a manner that is reasonably likely to bring the highest net proceeds from the sale after deducting the expenses of the offer to sell and sale. A sheriff may engage an auctioneer to advertise a sale and to conduct a public auction, unless the person being levied files an objection with the clerk of the circuit or superior court having the tax warrant within five (5) days of the day that the sheriff informs the person of the person's right to object. The advertising conducted by the auctioneer is in addition to any other notice required by law, and shall include a detailed description of the property to be sold. When an auctioneer is engaged under this subsection and the auctioneer files a verified claim with the clerk of the circuit or superior court with whom the tax warrant is filed, the sheriff may pay the reasonable fee and reasonable expenses of the auctioneer from the gross proceeds of the sale before other expenses and the judgment arising from the tax warrant are paid. As used in this section, "auctioneer" means an auctioneer licensed under IC 25-6.1.

(c) The sheriff shall deposit all amounts that the sheriff collects under this section, including partial payments, into a special trust account for judgments collected that arose from tax warrants. On or before the fifth day of each month, the sheriff shall disburse the money in the tax warrant judgment lien trust account in the following order:

(1) The sheriff shall pay the department the part of the collections that represents taxes, interest, and penalties.

(2) The sheriff shall pay the county treasurer and the clerk of the circuit or superior court the part of the collections that represents their assessed costs.

(3) Except as provided in subdivisions (4) and (5), the sheriff shall keep the part of the collections that represents the ten percent (10%) collection fee added under section 2(b) of this chapter.

(4) If the sheriff has entered a salary contract under IC 36-2-13-2.5, the sheriff shall deposit in the county general fund the part of the collections that represents the ten percent (10%) collection fee added under section 2(b) of this chapter.

(5) If the sheriff has not entered into a salary contract under IC 36-2-13-2.5, the sheriff shall deposit in the county general fund the part of the collections that:

(A) represents the ten percent (10%) collection fee added under section 2(b) of this chapter; and

(B) would, if kept by the sheriff, result in the total amount of the sheriff's annual compensation exceeding the maximum amount allowed under IC 36-2-13-17.

The department shall establish the procedure for the disbursement of partial payments so that the intent of this section is carried out.

(d) After the period described in subsection (a) has passed, the sheriff shall return the tax warrant to the department. However, if the department determines that:

(1) at the end of this period the sheriff is in the process of collecting the judgment arising from a tax warrant in periodic payments of sufficient size that the judgment will be fully paid within one (1) year after the date the judgment was filed; and

(2) the sheriff's electronic data base regarding tax warrants is compatible with the department's data base;

the sheriff may keep the tax warrant and continue collections.

(e) Notwithstanding any other provision of this chapter, the department may order a sheriff to return a tax warrant at any time, if the department feels that action is necessary to protect the interests of the state.

(f) This subsection applies only to the sheriff of a county having a consolidated city or a second class city. In such a county, the ten percent (10%) collection fee added under section 2(b) of this chapter shall be divided as follows:

(1) Subject to subsection (g), the sheriff may retain forty thousand dollars ($40,000), plus one-fifth (1/5) of any fees exceeding that forty thousand dollar ($40,000) amount.

(2) Two-fifths (2/5) of any fees exceeding that forty thousand dollar ($40,000) amount shall be deposited in the sheriff's department's pension trust fund.

(3) Two-fifths (2/5) of any fees exceeding that forty thousand dollar ($40,000) amount shall be deposited in the county general fund.

(g) If an amount of the collection fee added under section 2(b) of this chapter would, if retained by the sheriff under subsection (f)(1), cause the total amount of the sheriff's annual compensation to exceed the maximum amount allowed under IC 36-2-13-17, the sheriff shall instead deposit the amount in the county general fund.

(h) Money deposited into a county general fund under subsections (c)(5) and (g) must be used as follows:

(1) To reduce any unfunded liability of a sheriff's pension trust plan established for the county's sheriff's department.

(2) Any amounts remaining after complying with subdivision (1) must be applied to the costs incurred to operate the county's sheriff's department.

As added by Acts 1980, P.L.61, SEC.1. Amended by Acts 1982, P.L.65, SEC.1; P.L.32-1983, SEC.3; P.L.46-1991, SEC.8; P.L.1-1993, SEC.44; P.L.83-1993, SEC.1; P.L.1-1994, SEC.32; P.L.129-2001, SEC.23; P.L.111-2006, SEC.7; P.L.40-2008, SEC.1; P.L.99-2011, SEC.2.

IC 6-8.1-8-4

Judgment arising from tax warrant; collection by department; special counsel

Sec. 4. (a) When the department collects a judgment arising from a tax warrant, it may proceed in the same manner that any debt due the state is collected, except as provided in this chapter. The department may employ special counsel or contract with a collection agency for the collection of a delinquent tax plus interest, penalties, collection fees, sheriff's costs, clerk's costs, and reasonable fees established under subsection (b) if:

(1) an unsatisfied warrant has been issued by the department; or

(2) the department received a tax payment by check or other instrument drawn upon a financial institution, and the check or other instrument was not honored by that institution.

(b) The commissioner and the budget agency shall set the fee that the special counsel or collection agency will receive and payment of the fee shall be made after a claim for that fee has been approved by the department.

(c) The fees become due and owing by the taxpayer upon the filing of an amended warrant with the circuit court clerk adding the fee authorized by subsection (b) to the amount of the judgment lien under section 2 of this chapter.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.332-1989(ss), SEC.30; P.L.71-1993, SEC.23; P.L.129-2001, SEC.24.

IC 6-8.1-8-5

Restraining order

Sec. 5. At any time after a judgment arising from a tax warrant has been recorded, the department may obtain a court order restraining the person owing the tax from conducting business in Indiana. The restraining order is valid as long as the judgment remains in effect, but the department may have the order dissolved if it feels that by dissolving the order the judgment will be easier to collect.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.129-2001, SEC.25.

IC 6-8.1-8-6

Receivership; court order; appeal

Sec. 6. (a) If a person does not pay a tax payment within sixty (60) days of the date that the particular payment is due, the department

may have a receiver appointed by the circuit or superior court of the county in which the taxpayer resides or is domiciled. Upon motion by the department for a receiver, the court shall appoint a receiver if the court finds that one of the listed taxes is due and has not been paid within sixty (60) days of its due date. A receiver appointed under this section may, in place of the taxpayer:

(1) bring and defend any action;
(2) take possession of all property;
(3) receive all funds;
(4) collect any debts owed to the taxpayer; and
(5) perform all other functions and duties prescribed for receivers under Indiana law or under special authority granted by the court.

(b) Within ten (10) days after the court order granting or refusing a receiver's appointment, either party may appeal the order to the tax court. However, if the taxpayer makes the appeal, he must furnish bond in an amount sufficient to cover the payment of any costs or damages resulting from the appeal and to cover the amount of the bond the receiver would be required to file. As long as the appeal is in process, the receiver's powers are suspended.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.291-1985, SEC.11.

IC 6-8.1-8-7
Remedies cumulative

Sec. 7. The remedies for tax collection provided to the department under this chapter are cumulative and the selection or use of one (1) of the remedies does not preclude the subsequent or corresponding use of one (1) or more of the other remedies.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-8-8
Uncollected tax warrants; action by department

Sec. 8. After a tax warrant becomes a judgment under section 2 of this chapter, a tax warrant is returned uncollected to the department under section 3 of this chapter, or the taxpayer does not pay the amount demanded under section 2(b) of this chapter and the taxpayer has taken an action under section 2(n) of this chapter to foreclose the lien, the department may take any of the following actions without judicial proceedings.

(1) The department may levy upon the property of the taxpayer that is held by a financial institution by sending a claim to the financial institution. Upon receipt of a claim under this subdivision, the financial institution shall surrender to the department the taxpayer's property. If the taxpayer's property exceeds the amount owed to the state by the taxpayer, the financial institution shall surrender the taxpayer's property in an amount equal to the amount owed. After receiving the department's notice of levy, the financial institution is required to place a sixty (60) day hold on or restriction on the withdrawal

of funds the taxpayer has on deposit or subsequently deposits, in an amount not to exceed the amount owed.

(2) The department may garnish the accrued earnings and wages of a taxpayer by sending a notice to the taxpayer's employer. Upon receipt of a notice under this subdivision, an employer shall garnish the accrued earnings and wages of the taxpayer in an amount equal to the full amount that is subject to garnishment under IC 24-4.5-5. The amount garnished shall be remitted to the department. The employer is entitled to a fee in an amount equal to the fee allowed under IC 24-4.5-5-105(5). However, the fee shall be borne entirely by the taxpayer.

(3) The department may levy upon and sell property and may:

(A) take immediate possession of the property and store it in a secure place; or

(B) leave the property in the custody of the taxpayer;

until the day of the sale. The department shall provide notice of the sale in one (1) newspaper, as provided in IC 5-3-1-2. If the property is left in the custody of the taxpayer, the department may require the taxpayer to provide a joint and several delivery bond, in an amount and with a surety acceptable to the department. At any time before the sale, any owner or part owner of the property may redeem the property from the judgment by paying the department the amount of the judgment. The proceeds of the sale shall be applied first to the collection expenses and second to the payment of the delinquent taxes and penalties. Any balance remaining shall be paid to the taxpayer.

As added by P.L.23-1986, SEC.14. Amended by P.L.53-1987, SEC.2; P.L.3-1990, SEC.26; P.L.71-1993, SEC.24; P.L.129-2001, SEC.26; P.L.213-2007, SEC.4; P.L.226-2007, SEC.1; P.L.99-2011, SEC.3.

IC 6-8.1-8-8.5

Enforceability of judgment arising from tax warrant

Sec. 8.5. (a) For purposes of this chapter, a judgment arising from a tax warrant is enforceable in the same manner as any judgment issued by a court of general jurisdiction.

(b) The department may initiate proceedings supplementary to execution in any court of general jurisdiction in a county in which a judgment arising from a tax warrant has been recorded.

(c) Proceedings supplementary to execution on a judgment arising from a tax warrant must be initiated and maintained under the applicable rules of the selected court and under the provisions of IC 34-55-8 that do not conflict with this chapter.

As added by P.L.129-2001, SEC.27.

IC 6-8.1-8-8.7

Data match system; financial institutions

Sec. 8.7. (a) The department shall operate a data match system with each financial institution doing business in Indiana.

(b) Each financial institution doing business in Indiana shall provide information to the department on all individuals:

(1) who hold one (1) or more accounts with the financial institution; and

(2) upon whom a levy may be issued by the department or a county treasurer.

(c) To provide the information required under subsection (b), a financial institution shall do one (1) of the following:

(1) Identify individuals by comparing records maintained by the financial institution with records provided by the department by:

(A) name; and

(B) either:

(i) Social Security number; or

(ii) tax identification number.

(2) Comply with IC 31-25-4-31(c)(2). The child support bureau established by IC 31-25-3-1 shall regularly make reports submitted under IC 31-25-4-31(c)(2) accessible to the department or its agents for use only in tax judgment and levy administration.

(d) The information required under subsection (b) must:

(1) be provided on a quarterly basis; and

(2) include the:

(A) name;

(B) address of record; and

(C) either:

(i) the Social Security number; or

(ii) tax identification number;

of individuals identified under subsection (b).

(e) When the department determines that the information required under subsection (d)(2) is identical for an individual who holds an account with a financial institution and an individual against whom a levy may be issued by the department or a county treasurer, the department or its agents shall provide a notice of the match, in compliance with section 4 of this chapter, if action is to be initiated to levy or encumber the account.

(f) This section does not preclude a financial institution from exercising its right to:

(1) charge back or recoup a deposit to an account; or

(2) set off from an account held by the financial institution in which the individual has an interest in any debts owed to the financial institution that existed before:

(A) the state's levy; and

(B) notification to the financial institution of the levy.

(g) A financial institution ordered to block or encumber an account under this section is entitled to collect its normally scheduled account activity fees to maintain the account during the period the account is blocked or encumbered.

(h) All information provided by a financial institution under this section is confidential and is available only to the department or its agents for use only in levy collection activities.

(i) A financial institution providing information required under this section is not liable for:

(1) disclosing the required information to the department or the child support bureau established by IC 31-25-3-1;
(2) blocking or surrendering an individual's assets in response to a levy imposed under this section by:
(A) the department; or
(B) a person or an entity acting on behalf of the department; or
(3) any other action taken in good faith to comply with this section.

(j) A person or an entity that is acting on behalf of the department is not liable for any action taken in good faith to collect the state's levy under this section unless:
(1) the action is contrary to the department's direction to the person or entity; or
(2) for information provided under this section, the person or entity acts with:
(A) deliberate ignorance of the truth or falsity of the information; or
(B) reckless disregard for the truth or falsity of the information.

(k) The department or its agents shall pay a financial institution performing the data match required by this section a reasonable fee, as determined by the department, of at least five dollars ($5) for each levy issued to the financial institution.

(l) This section does not prevent the department or its agents from encumbering an obligor's account with a financial institution by any other remedy available under the law.

As added by P.L.226-2007, SEC.2. Amended by P.L.138-2008, SEC.1.

IC 6-8.1-8-9
Levy release or tax warrant surrender; grounds

Sec. 9. (a) This section does not apply to a jeopardy tax warrant issued under IC 6-8.1-5-3.

(b) The department shall release a levy on property or request the sheriff to surrender a tax warrant to the department if:
(1) the expense of the sale process exceeds the liability for which the levy is made;
(2) the proceeds of the sale would not reduce the tax liability by the lesser of:
(A) ten percent (10%) of the liability; or
(B) one thousand dollars ($1,000); or
(3) the advocate, appointed under IC 6-8.1-11-3, orders:
(A) the release of the levy; or
(B) the return of the tax warrant by the sheriff;

upon submitting a written finding to the commissioner that the levy threatens the health or welfare of the taxpayer or the taxpayer's spouse, family, or dependents.

As added by P.L.332-1989(ss), SEC.31.

IC 6-8.1-8-10
Bank charges incurred through erroneous levy; reimbursement

Sec. 10. (a) As used in this section, "bank charges" includes:

(1) a financial institution's customary charge for complying with an instruction in a levy; and

(2) reasonable charges for overdrafts that are a direct consequence of the erroneous levy;

that are paid by the taxpayer and not waived or reimbursed by the financial institution.

(b) A taxpayer may file a claim for reimbursement with the department for bank charges incurred by the taxpayer as a result of an erroneous levy under this chapter.

As added by P.L.332-1989(ss), SEC.32.

IC 6-8.1-8-11
Filing claim for reimbursement

Sec. 11. A claimant for reimbursement under section 10 of this chapter must file a claim:

(1) with the department;

(2) on a form prescribed by the department; and

(3) not later than ninety (90) days after the date of the levy.

As added by P.L.332-1989(ss), SEC.33.

IC 6-8.1-8-12
Claim approval

Sec. 12. (a) The department shall approve a claim filed under section 11 of this chapter if the department determines that:

(1) the erroneous levy was caused by an error by the department;

(2) before the levy was issued:

(A) the taxpayer responded to communications by the department; and

(B) the taxpayer provided the department with the information and documentation requested by the department.

(b) The department shall waive the requirement set forth in subsection (a)(2) if the department determines the taxpayer had reasonable cause for a failure to comply with the requirement.

As added by P.L.332-1989(ss), SEC.34.

IC 6-8.1-8-13
Response to claim; denial; notice

Sec. 13. The department shall respond to a claim filed under section 11 of this chapter no later than thirty (30) days after the claim was filed. If the department denies the claim, the department shall notify the taxpayer in writing of the reasons for the denial of the claim.

As added by P.L.332-1989(ss), SEC.35.

IC 6-8.1-8-14
Determination of uncollectible liability; effect on lien

Sec. 14. The commissioner may determine that an outstanding liability for taxes, interest, penalties, collection fees, sheriff's costs, clerk's costs, or fees established under section 4(b) of this chapter is uncollectible. However, any lien created by the operation of section 2(e) of this chapter survives the commissioner's determination, subject to section 2 of this chapter.
As added by P.L.111-2006, SEC.8.

IC 6-8.1-8-15
Levying against unclaimed property

Sec. 15. (a) As used in this section, "apparent owner" has the meaning set forth in IC 32-34-1-4.

(b) As used in this section, "unclaimed property" has the meaning set forth in IC 32-34-1-21.

(c) If an apparent owner of unclaimed property is subject to a tax warrant issued under IC 6-8.1-8-2, the department may levy on the unclaimed property by filing a claim with the attorney general in accordance with the procedures described in IC 32-34-1-36.
As added by P.L.111-2006, SEC.9.

IC 6-8.1-8-16
Limit on issuing, imposing, or commencing demand notices, warrants, levies, proceedings, or liens

Sec. 16. (a) This section applies without an injunction from the tax court to any assessment that is made or pending after April 30, 2011.

(b) Except as provided in IC 6-8.1-5-3, no demand notice, warrant, levy, or proceeding in court for the collection of a protested listed tax or any penalties and interest on a listed tax may be issued, commenced, or conducted against a taxpayer and no lien on the taxpayer's property may be imposed until after the later of the following:

(1) The expiration of the period in which the taxpayer may appeal the listed tax to the tax court.

(2) A decision of the tax court concerning the listed tax becomes final, if the taxpayer filed a timely appeal.

As added by P.L.172-2011, SEC.88.

IC 6-8.1-8-17
Tax warrant issued to a taxpayer who has not filed a return

Sec. 17. (a) This section applies when the department issues a tax warrant to a taxpayer who has not filed a tax return with respect to the reporting period for which the taxpayer's unpaid tax liability has accrued.

(b) A taxpayer described in subsection (a) is not entitled to a demand notice under section 2(a) of this chapter that would negate the tax warrant if the taxpayer:

(1) files a tax return subsequent to the issuance of the tax warrant; and

(2) fails to remit the amount of the tax liability identified on an applicable tax return.

As added by P.L.293-2013(ts), SEC.31.

IC 6-8.1-9

Chapter 9. Refunds

IC 6-8.1-9-1

Filing of claim; time limitation; considerations and hearing; decision; appeal

Sec. 1. (a) If a person has paid more tax than the person determines is legally due for a particular taxable period, the person may file a claim for a refund with the department. Except as provided in subsections (f) and (g), in order to obtain the refund, the person must file the claim with the department within three (3) years after the latter of the following:

(1) The due date of the return.

(2) The date of payment.

For purposes of this section, the due date for a return filed for the state gross retail or use tax, the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax is the end of the calendar year which contains the taxable period for which the return is filed. The claim must set forth the amount of the refund to which the person is entitled and the reasons that the person is entitled to the refund.

(b) After considering the claim and all evidence relevant to the claim, the department shall issue a decision on the claim, stating the part, if any, of the refund allowed and containing a statement of the reasons for any part of the refund that is denied. The department shall mail a copy of the decision to the person who filed the claim. If the person disagrees with a part of the decision, the person may file a protest and request a hearing with the department. The department shall mail a copy of the decision to the person who filed the protest. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision.

(c) If the person disagrees with any part of the department's decision, the person may appeal the decision, regardless of whether or not the person protested the tax payment or whether or not the person has accepted a refund. The person must file the appeal with the tax court. The tax court does not have jurisdiction to hear a refund appeal suit, if:

(1) the appeal is filed more than ninety (90) days after the later of the date the department mails:

(A) the decision of denial of the claim to the person; or

(B) the decision made on the protest filed under subsection (b); or

(2) the appeal is filed both before the decision is issued and before the one hundred eighty-first day after the date the person files the claim for refund with the department.

(d) The tax court shall hear the appeal de novo and without a jury, and after the hearing may order or deny any part of the appealed refund. The court may assess the court costs in any manner that it feels is equitable. The court may enjoin the collection of any of the

listed taxes under IC 33-26-6-2. The court may also allow a refund of taxes, interest, and penalties that have been paid to and collected by the department.

(e) With respect to the motor vehicle excise tax, this section applies only to penalties and interest paid on assessments of the motor vehicle excise tax. Any other overpayment of the motor vehicle excise tax is subject to IC 6-6-5.

(f) If a taxpayer's federal income tax liability for a taxable year is modified by the Internal Revenue Service, and the modification would result in a reduction of the tax legally due, the due date by which the taxpayer must file a claim for refund with the department is the later of:

(1) the date determined under subsection (a); or

(2) the date that is one hundred eighty (180) days after the date on which the taxpayer is notified of the modification by the Internal Revenue Service.

(g) If an agreement to extend the assessment time period is entered into under IC 6-8.1-5-2(h), the period during which a person may file a claim for a refund under subsection (a) is extended to the same date to which the assessment time period is extended.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.291-1985, SEC.12; P.L.335-1989(ss), SEC.22; P.L.71-1993, SEC.25; P.L.119-1998, SEC.19; P.L.98-2004, SEC.74; P.L.2-2005, SEC.22; P.L.211-2007, SEC.42; P.L.131-2008, SEC.30; P.L.182-2009(ss), SEC.256; P.L.172-2011, SEC.89; P.L.137-2012, SEC.109.

IC 6-8.1-9-1.2

Filing fee refund

Sec. 1.2. Notwithstanding section 1(d) of this chapter, if a taxpayer prevails in a complaint that is placed on the small claims docket under IC 33-26-5, the tax court shall order the refund of the taxpayer's filing fee under IC 33-26-9-1 from the state general fund.

As added by P.L.100-1989, SEC.1. Amended by P.L.98-2004, SEC.75.

IC 6-8.1-9-1.3

Tax refunds; allocation among funds

Sec. 1.3. If the department makes a refund of taxes paid under IC 6-2.5, IC 6-7-1, IC 6-7-2, or IC 7.1, the department shall charge each fund or account into which the taxes have been allocated or distributed with that account's or that fund's proportionate share of the amount of taxes refunded.

As added by P.L.261-2013, SEC.39.

IC 6-8.1-9-2

Excess tax payments; procedure for credit or refund; pass through entities

Sec. 2. (a) If the department finds that a person has paid more tax for a taxable year than is legally due, the department shall apply the amount of the excess against any amount of that same tax that is

assessed and is currently due. The department may then apply any remaining excess against any of the listed taxes that have been assessed against the person and that are currently due. Subject to subsection (c), if any excess remains after the department has applied the overpayment against the person's tax liabilities, the department shall either refund the amount to the person or, at the person's request, credit the amount to the person's future tax liabilities.

(b) Subject to subsection (c), if a court determines that a person has paid more tax for a taxable year than is legally due, the department shall refund the excess amount to the person.

(c) As used in this subsection, "pass through entity" means a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2), a partnership, a limited liability company, or a limited liability partnership and "pass through income" means a person's distributive share of adjusted gross income for a taxable year attributable to the person's interest in a pass through entity. This subsection applies to a person's overpayment of adjusted gross income tax for a taxable year if:

(1) the person has filed a timely claim for refund with respect to the overpayment under IC 6-8.1-9-1;

(2) the overpayment:

(A) is with respect to a taxable year beginning before January 1, 2009;

(B) is attributable to amounts paid to the department by:

(i) a nonresident shareholder, partner, or member of a pass through entity;

(ii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of the pass through entity; or

(iii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of another pass through entity; and

(3) the overpayment arises from a determination by the department or a court that the person's pass through income is not includible in the person's adjusted gross income derived from sources within Indiana as a result of the application of IC 6-3-2-2(a)(5) and IC 6-3-2-2.2(g).

The department shall apply the overpayment to the person's liability for taxes that have been assessed and are currently due as provided in subsection (a) and apply any remaining overpayment as a credit or credits in satisfaction of the person's liability for listed taxes in taxable years beginning after December 31, 2008. If the person, including any successor to the person's interest in the overpayment, does not have sufficient liability for listed taxes against which to credit all the remaining overpayment in a taxable year beginning after December 31, 2008, and ending before January 1, 2019, the taxpayer is not entitled for any taxable year ending after December 31, 2018, to have any part of the remaining overpayment applied, refunded, or credited to the person's liability for listed taxes. If an overpayment or part of an overpayment is required to be applied as

a credit under this subsection to the person's liability for listed taxes for a taxable year beginning after December 31, 2008, and has not been determined by the department or a court to meet the conditions of subdivision (3) by the due date of the person's return for a listed tax for a taxable year beginning after December 31, 2008, the department shall refund to the person that part of the overpayment that should have been applied as a credit for such taxable year within ninety (90) days of the date that the department or a court makes the determination that the overpayment meets the conditions of subdivision (3). However, the department may establish a program to refund small overpayment amounts that do not exceed the threshold dollar value established by the department rather than crediting the amounts against tax liability accruing for a taxable year after December 31, 2008. A person that receives a refund or credit under this subsection shall file a report with the department in the form and in the schedule specified by the department that identifies under penalties of perjury the home state or other jurisdiction where the income subject to the refund or credit was reported as income attributable to that state or jurisdiction.

(d) An excess tax payment that is not refunded or credited against a current or future tax liability within ninety (90) days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from the date the refund claim is filed at the rate established under IC 6-8.1-10-1 until a date, determined by the department, that does not precede by more than thirty (30) days, the date on which the refund or credit is made. As used in this subsection, "refund claim" includes an amended return that indicates an overpayment of tax.

(e) A person who is liable for the payment of excise taxes under IC 7.1-4-3 or IC 7.1-4-4 is entitled to claim a credit against the person's excise tax liability in the amount of the excise taxes paid in duplicate by the person, or the person's assignors or predecessors, upon both:

(1) the receipt of the goods subject to the excise taxes, as reported by the person, or the person's assignors or predecessors, on excise tax returns filed with the department; and

(2) the withdrawal of the same goods from a storage facility operated under 19 U.S.C. 1555(a).

(f) The amount of the credit under subsection (e) is equal to fifty percent (50%) of the amount of excise taxes:

(1) that were paid by the person as described in subsection (e)(2);

(2) that are duplicative of excise taxes paid by the person as described in subsection (e)(1); and

(3) for which the person has not previously claimed a credit.

The credit may be claimed by subtracting the amount of the credit from the amount of the person's excise taxes reported on the person's monthly excise tax returns filed under IC 7.1-4-6 with the department for taxes imposed under IC 7.1-4-3 or IC 7.1-4-4. The amount of the

credit that may be taken monthly by the person on each monthly excise tax return may not exceed ten percent (10%) of the excise tax liability reported by the person on the monthly excise tax return. The credit may be claimed on not more than thirty-six (36) consecutive monthly excise tax returns beginning with the month in which credit is first claimed.

(g) The amount of the credit calculated under subsection (f) must be used for capital expenditures to:

(1) expand employment; or

(2) assist in retaining employment within Indiana.

The department shall annually verify whether the capital expenditures made by the person comply with this subsection.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.6-1987, SEC.13; P.L.92-1987, SEC.11; P.L.48-1994, SEC.2; P.L.28-1997, SEC.27; P.L.111-2006, SEC.10; P.L.182-2009(ss), SEC.257; P.L.293-2013(ts), SEC.32.

IC 6-8.1-9-3

Gasoline, special fuel, and motor vehicle excise taxes; inapplicability

Sec. 3. This chapter does not apply to refund claims made for gasoline taxes under IC 6-6-1.1, special fuel taxes under IC 6-6-2.5, or the motor vehicle excise tax (excluding interest and penalties) under IC 6-6-5.

As added by Acts 1980, P.L.61, SEC.1. Amended by Acts 1981, P.L.93, SEC.10; Acts 1982, P.L.59, SEC.5; P.L.335-1989(ss), SEC.23; P.L.277-1993(ss), SEC.53; P.L.111-2006, SEC.11.

IC 6-8.1-9-4 Version a

Designation of all or part of refund to be paid to nongame fund

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 4. (a) Every individual (other than a nonresident) who files an individual income tax return and who is entitled to a refund from the Indiana department of revenue because of the overpayment of income tax for a taxable year may designate on his annual state income tax return that either a specific amount or all of the refund to which he is entitled shall be paid over to the nongame fund. In the event that the individual designates that a certain amount shall be paid over to the nongame fund and the refund to which he is entitled is less than the amount designated, such designation shall mean that all of the refund to which he is entitled shall be paid over to the nongame fund.

(b) Every husband and wife (other than nonresidents) who file a joint income tax return and who are entitled to a refund from the Indiana department of revenue because of the overpayment of income tax for a taxable year may designate on their annual state income tax return that either a specific amount or all of the refund to which they are entitled shall be paid over to the nongame fund. In the event that the husband and wife designate that a certain amount shall be paid over to the nongame fund and the refund to which they are entitled is less

than the amount designated, such designation shall mean that all of the refund to which they are entitled shall be paid over to the nongame fund.

(c) The instructions for the preparation of individual income tax returns shall contain a description of the purposes of the nongame and endangered species program which is written in cooperation with the department of natural resources.

As added by Acts 1982, P.L.66, SEC.1.

IC 6-8.1-9-4 Version b

Taxpayer election to contribute all or part of the taxpayer's refund

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 4. (a) Every individual (other than a nonresident) who files an individual income tax return and who is entitled to a refund from the department of state revenue because of the overpayment of income tax for a taxable year may designate on the individual's annual state income tax return that either a specific amount or all of the refund to which the individual is entitled shall be paid over to one (1) or more of the funds described in subsection (c). If the refund to which the individual is entitled is less than the total amount designated to be paid over to one (1) or more of the funds described in subsection (c), all of the refund to which the individual is entitled shall be paid over to the designated funds, but in an amount or amounts reduced proportionately for each designated fund. If an individual designates all of the refund to which the individual is entitled to be paid over to one (1) or more of the funds described in subsection (c) without designating specific amounts, the refund to which the individual is entitled shall be paid over to each fund described in subsection (c) in an amount equal to the refund divided by the number of funds described in subsection (c), rounded to the lowest cent, with any part of the refund remaining due to the effects of rounding to be deposited in the nongame fund.

(b) Every husband and wife (other than nonresidents) who file a joint income tax return and who are entitled to a refund from the department of state revenue because of the overpayment of income tax for a taxable year may designate on their annual state income tax return that either a specific amount or all of the refund to which they are entitled shall be paid over to one (1) or more of the funds described in subsection (c). If the refund to which a husband and wife are entitled is less than the total amount designated to be paid over to one (1) or more of the funds described in subsection (c), all of the refund to which the husband and wife are entitled shall be paid over to the designated funds, but in an amount or amounts reduced proportionately for each designated fund. If a husband and wife designate all of the refund to which the husband and wife are entitled to be paid over to one (1) or more of the funds described in subsection (c) without designating specific amounts, the refund to which the husband and wife are entitled shall be paid over to each fund described in subsection (c) in an amount equal to the refund divided by the number of funds described in subsection (c), rounded to the lowest cent, with any part of the refund remaining due to the effects of rounding to be deposited in the

nongame fund.

(c) Designations under subsection (a) or (b) may be directed only to the following funds:

(1) The nongame fund.

(2) The state general fund for exclusive use in funding public education for kindergarten through grade 12.

(d) The instructions for the preparation of individual income tax returns shall contain a description of the purposes of the following:

(1) The nongame and endangered species program. The description of this program shall be written in cooperation with the department of natural resources.

(2) The funding of public education for kindergarten through grade 12. The description of this purpose shall be written in cooperation with the state superintendent of public instruction.

(e) The department shall interpret a designation on a return under subsection (a) or (b) that is illegible or otherwise not reasonably discernible to the department as if the designation had not been made.

As added by Acts 1982, P.L.66, SEC.1. Amended by P.L.288-2013, SEC.69.

IC 6-8.1-9-7

Class actions; requisites; time limits

Sec. 7. A class action for the refund of a tax subject to this chapter may not be maintained in any court, including the Indiana tax court, on behalf of any person who has not complied with the requirements of section 1(a) of this chapter before the certification of the class. A refund of taxes to a member of a class in a class action is subject to the time limits set forth in section 1(a) of this chapter based on the time the class member filed the required claim for refund with the department.

As added by P.L.91-1989, SEC.2.

IC 6-8.1-9-14

Department centralized debt collection program for state agencies; fee for service; procedures; commissioner report

Sec. 14. (a) Except as provided in subsection (n), the department shall establish, administer, and make available a centralized debt collection program for use by state agencies to collect delinquent accounts, charges, fees, loans, taxes, or other indebtedness owed to or being collected by state agencies. The department's collection facilities shall be available for use by other state agencies only when resources are available to the department.

(b) The commissioner shall prescribe the appropriate form and manner in which collection information is to be submitted to the department.

(c) The debt must be delinquent and not subject to litigation, claim, appeal, or review under the appropriate remedies of a state agency.

(d) The department has the authority to collect for the state or claimant agency (as defined in IC 6-8.1-9.5-1) delinquent accounts,

charges, fees, loans, taxes, or other indebtedness due the state or claimant agency that has a formal agreement with the department for central debt collection.

(e) The formal agreement must provide that the information provided to the department be sufficient to establish the obligation in court and to render the agreement as a legal judgment on behalf of the state. After transferring a file for collection to the department for collection, the claimant agency shall terminate all collection procedures and be available to provide assistance to the department. Upon receipt of a file for collection, the department shall comply with all applicable state and federal laws governing collection of the debt.

(f) The department may use a claimant agency's statutory authority to collect the claimant agency's delinquent accounts, charges, fees, loans, taxes, or other indebtedness owed to the claimant agency.

(g) The department's right to credit against taxes due may not be impaired by any right granted the department or other state agency under this section.

(h) The department of state revenue may charge the claimant agency a fee not to exceed fifteen percent (15%) of any funds the department collects for a claimant agency. Notwithstanding any law concerning delinquent accounts, charges, fees, loans, taxes, or other indebtedness, the fifteen percent (15%) fee shall be added to the amount due to the state or claimant agency when the collection is made.

(i) Fees collected under subsection (h) shall be retained by the department after the debt is collected for the claimant agency and are appropriated to the department for use by the department in administering this section.

(j) The department shall transfer any funds collected from a debtor to the claimant agency within thirty (30) days after the end of the month in which the funds were collected.

(k) When a claimant agency requests collection by the department, the claimant agency shall provide the department with:

(1) the full name;

(2) the Social Security number or federal identification number, or both;

(3) the last known mailing address; and

(4) additional information that the department may request;

concerning the debtor.

(l) The department shall establish a minimum amount that the department will attempt to collect for the claimant agency.

(m) The commissioner shall report, not later than March 1 for the previous calendar year, to the governor, the budget director, and the legislative council concerning the implementation of the centralized debt collection program, the number of debts, the dollar amounts of debts collected, and an estimate of the future costs and benefits that may be associated with the collection program. A report to the legislative council under this subsection must be in an electronic

format under IC 5-14-6.

(n) The department may not assess a fee to a state agency or a custodial parent for seeking a setoff to a state or federal income tax refund for past due child support.

As added by P.L.178-2002, SEC.73. Amended by P.L.28-2004, SEC.67; P.L.103-2007, SEC.3.

IC 6-8.1-9.5

Chapter 9.5. Set Off of Refunds

IC 6-8.1-9.5-1

Definitions

Sec. 1. For purposes of this chapter:

"Claimant agency" means any state department, institution, commission, committee, board, division, bureau, authority, officer, official, or clerk of a circuit court.

"Debtor" means any person or legal entity that is delinquent in paying a debt to a claimant agency that has not been adjudicated, satisfied by court order, set aside by court order, or discharged in bankruptcy.

"Debt" means any liquidated amount owed and due to a Title IV-D agency of another state, or to any claimant agency which has accrued through contract, subrogation, assignment for purposes of collection, tort, operation of law, or any other legal theory, regardless of whether there is an outstanding judgment for that sum.

As added by Acts 1981, P.L.97, SEC.1. Amended by P.L.53-1985, SEC.3; P.L.277-2003, SEC.1.

IC 6-8.1-9.5-2

Debt owed to claimant agency; agency's entitlement to debtor's refund

Sec. 2. If a debtor owes a claimant agency a certified delinquent debt that agency is entitled to have the department set off the tax refund against the delinquent debt.

As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-3

Application by agency

Sec. 3. (a) To obtain a set off by the department, a claimant agency must file an application for the set off with the department before November 30 of the year preceding the calendar year in which a tax refund is payable by the department. The department shall prescribe the form of and the contents of the application.

(b) An application filed pursuant to this section is effective only for the purpose of set off of tax refunds that are payable in the calendar year that succeeds the calendar year in which an application is filed.

As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-4

Determination of entitlement to refund; notification of claimant agency

Sec. 4. After the department receives an application for a set off pursuant to section 3 of this chapter, the department shall determine whether the debtor is entitled to a tax refund. If the department determines the debtor is entitled to a tax refund, it shall notify the claimant agency of this fact.

As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-5
Notice by claimant agency of intent to have refund set off

Sec. 5. After a claimant agency receives notice that a debtor is entitled to a tax refund from the department, the claimant agency must within fifteen (15) days of the receipt of the notice of a tax refund send written notice to the debtor and the department of its intent to have the tax refund set off. This notice must clearly set forth the basis for the claim to the debt and set off.
As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-6
Contest of agency's claim; notice

Sec. 6. A debtor who receives written notice pursuant to section 5 of this chapter is entitled to contest the claimant agency's right to the debt and set off at a hearing only if the debtor within thirty (30) days of his receipt of notice mails to the claimant agency written notice that he intends to contest the claimant agency's right to the debt.
As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-7
Hearing on contested claim

Sec. 7. If a claimant agency receives written notice that a debtor intends to contest its claim to a debt and set off, the claimant agency shall hold a hearing under IC 4-21.5-3.
As added by Acts 1981, P.L.97, SEC.1. Amended by P.L.7-1987, SEC.7.

IC 6-8.1-9.5-8
Certification of debt; payment to agency

Sec. 8. After a final determination of the validity of a debt due a claimant agency pursuant to sections 6 and 7 of this chapter, the claimant agency shall certify to the department the amount owed by the debtor to the claimant agency that is subject to set off. Upon receipt of certification of a debt the department shall set off the appropriate amount and pay it to the appropriate claimant agency.
As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-9
Notice to debtor of action taken; accounting

Sec. 9. If the department sets off a debtor's tax refund pursuant to this chapter, it shall serve the debtor written notice of the action and an accounting of the action taken on any refund.
As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-10
Collection fee

Sec. 10. The department of revenue may charge the claimant

agency a fee of fifteen percent (15%) of any funds it sets off under this chapter as a collection fee for its services. The department must bill the claimant agency in order to collect this fee. However, the department may not assess a fee to a state agency or custodial parent for seeking a setoff to a state or federal income tax refund for past due child support.
As added by Acts 1981, P.L.97, SEC.1. Amended by P.L.53-1985, SEC.4; P.L.103-2007, SEC.4.

IC 6-8.1-9.5-11
Combined returns

Sec. 11. If set off is sought pursuant to the provisions of this chapter against the combined refund of taxpayers who have previously filed a combined return, the entire refund is subject to set off unless there is a timely defense raised by a co-refundee who is not a debtor as defined in this chapter. If a timely defense is raised that the refund is based on a combined application of a debtor and a nondebtor, then set off shall only be effected against the debtor's share of the refund.
As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-12
Multiple claims; priority

Sec. 12. Priority in multiple claims to refunds allowed to be set off under this chapter shall be in the order in time which a claimant agency has filed a written notice with the department of its intention to effect collection through set off under this chapter.
As added by Acts 1981, P.L.97, SEC.1.

IC 6-8.1-9.5-13
Disclosure of information and records; taxpayers; child support obligations

Sec. 13. (a) Notwithstanding IC 6-8.1-7 or any other provision of law prohibiting disclosure of a taxpayer's records or information, all information exchanged among the department, the claimant agency, and the debtor necessary to accomplish the purpose of this chapter is lawful.

(b) Whenever the child support bureau of the department of child services seeks to enforce a child support obligation through a setoff against a debtor's tax refund, the department shall make the following information available to that agency and to any other state's Title IV-D agency that is enforcing the child support order against the debtor:

(1) The debtor's Social Security account number (or numbers, if the debtor has more than one (1) number).

(2) The debtor's home address.

As added by Acts 1981, P.L.97, SEC.1. Amended by P.L.53-1985, SEC.5; P.L.2-1992, SEC.73; P.L.145-2006, SEC.20.

IC 6-8.1-9.7

Chapter 9.7. Treasury Offset Program

IC 6-8.1-9.7-1

"Debt"

Sec. 1. As used in this chapter, "debt" means a delinquent state tax or nontax debt certified by the treasurer of state or a federal nontax debt certified by a federal official. The term includes, but is not limited to, fines, fees, penalties, and other nontax assessments imposed by or payable to the state or federal government that are finally determined to be due and owing.

As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-2

"Federal official"

Sec. 2. As used in this chapter, "federal official" means a unit or official of the federal government that:

(1) is charged with the collection of nontax liabilities payable to the federal government; and

(2) has the authority to make offsets under an offset agreement.

As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-3

"Offset agreement"

Sec. 3. As used in this chapter, "offset agreement" means an agreement between the office of management and budget and the Secretary of the Treasury of the United States authorized by this chapter.

As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-4

"Person"

Sec. 4. As used in this chapter, "person" means an individual, vendor, contractor, partnership, society, association, joint stock company, limited liability company, corporation, estate, receiver, trustee, or assignee, any other person acting in a fiduciary or representative capacity whether appointed by a court or otherwise, or any combination of such individuals or entities.

As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-5

"State payments"

Sec. 5. (a) As used in this chapter, "state payments" includes tax refunds and any vendor or contractor payments made by the state to any person, including expense reimbursements to an employee of the state.

(b) The term does not include salary, wages, pension payments, and any other type, class, or amount of payment that the office of management and budget determines has an impact on the health or welfare of the citizens of Indiana and should not be subject to an

offset agreement.
As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-6
"Tax refund"

Sec. 6. As used in this chapter, "tax refund" means an amount described as a refund of tax under the provision of the state tax law that authorized the payment of the refund.
As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-7
Authorization to enter into an offset agreement

Sec. 7. Notwithstanding any other law, the office of management and budget may enter into an offset agreement with the Secretary of the Treasury of the United States to participate in a reciprocal Treasury Offset Program under 31 U.S.C. 3716 for the collection of any debts owed to the state or to state agencies from federal payments to vendors, contractors, and taxpayers. The offset agreement may provide for the federal government to submit nontax debts owed to federal agencies for offset against state payments otherwise due and owing to taxpayers and to vendors and contractors providing goods or services to the state or to the state's departments, agencies, or institutions.
As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-8
Powers of a federal official under an offset agreement

Sec. 8. If the office of management and budget enters into an offset agreement, a federal official may do the following as provided in the offset agreement:

(1) Certify to the office of management and budget the existence of a person's delinquent nontax debt owed by the person to the federal government, by providing:

(A) the full name and address of the person and any other names known to be used by the person;

(B) the person's Social Security number or federal tax identification number;

(C) the amount of the person's federal nontax debt;

(D) a statement certifying that the person's federal nontax debt is past due, that due process has been provided to the person, and that the person's federal nontax debt is legally enforceable in the amount certified, which may be provided in procedures for certifying payments as specified in the offset agreement; and

(E) any other information required by the offset agreement.

(2) Request the office of management and budget to withhold any state payment to which the person is entitled.

(3) Retain a part of the proceeds of any federal administrative setoff authorized by the federal offset program.

As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-9

Duties and powers of the office of management and budget under an offset agreement

Sec. 9. The following apply if the office of management and budget enters into an offset agreement:

(1) The office of management and budget shall do the following as provided in the offset agreement:

(A) Determine if a person whose name has been certified by a federal official as provided in the offset agreement is due a state payment.

(B) Withhold a state payment that is due a person whose name has been certified by a federal official as provided in the offset agreement.

(C) Notify the person from whom a state payment is withheld under this section of the amount withheld in accordance with the offset agreement.

(D) Pay to the federal official making the certification under section 8 of this chapter the lesser of:

(i) the entire state payment withheld; or

(ii) the amount certified by the federal official.

If the amount certified by the federal official is less than a state payment due to the person, the office of management and budget shall pay to the person the part of the state payment due to the person that exceeds the certified amount, less any fee under section 10 of this chapter.

(2) If an individual filed a joint income tax return and the debt certified by a federal official is not the liability of both parties to the joint income tax return, the office of management and budget may not withhold or pay to the federal official the part of the income tax refund attributable to the individual not owing the debt. The department shall notify taxpayers filing a joint income tax return of a proposed offset of a state income tax refund for a debt certified by a federal official. A taxpayer that filed a joint income tax return and receives such notice may, not more than sixty (60) days after the notice is sent, notify the department in writing that the taxpayer asserts that a part of the income tax refund is attributable to the individual not owing the debt. If a taxpayer that is a party to the joint income tax return does not notify the department of such an assertion not more than sixty (60) days after the department's notice is sent, all of the income tax refund is considered attributable to the individual owing the debt.

(3) The office of management and budget may do the following as provided in the offset agreement:

(A) Certify to a federal official a person's delinquent debt owed to the state by providing the federal official:

(i) the full name and address of the person and any other names known to be used by the person;

(ii) the person's Social Security number or federal tax identification number;

(iii) the amount of the person's debt owed to the state;

(iv) a statement certifying that the person's debt is past due, that due process has been provided to the person, and that the person's debt is legally enforceable in the amount certified, which may be provided in procedures for certifying payments as specified in the offset agreement; and

(v) any other information required by state law or rules applicable to the collection of the debt by offset of federal payments or required by the offset agreement.

(B) Request that the federal official withhold from any federal payment to which the person is entitled the lesser of:

(i) the entire federal payment; or

(ii) the amount certified by the office of management and budget;

as provided in the offset agreement. If the amount certified by the office of management and budget is less than a federal payment due to the person, the federal official may pay to the person the part of the federal payment due to the person that exceeds the certified amount, less any fee under section 10 of this chapter.

As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-9.7-10

Authorization to establish a reasonable administrative fee

Sec. 10. (a) The office of management and budget may, by rule, establish a reasonable administrative fee to be charged to a person for the provision of the state offset of a federal debt or the federal offset of a state debt.

(b) A fee authorized by this section is a separate debt and may be withheld from any refund, reimbursement, or other money held for the person.

(c) The office of management and budget may charge the person who is the subject of the state offset of a federal debt or the federal offset of a state debt the fee authorized by this section.

(d) Any fees collected under this section may be retained by the office of management and budget and used for the costs of the intercept program, including reporting, and for costs associated with other revenue generation and cost savings initiatives as determined by the office of management and budget.

As added by P.L.293-2013(ts), SEC.33.

IC 6-8.1-10

Chapter 10. Penalties and Interest

IC 6-8.1-10-1

Liability for interest

Sec. 1. (a) If a person fails to file a return for any of the listed taxes, fails to pay the full amount of tax shown on the person's return by the due date for the return or the payment, or incurs a deficiency upon a determination by the department, the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the adjusted rate established by the commissioner under subsection (c), from the due date for payment. The interest applies to:

(1) the full amount of the unpaid tax due if the person failed to file the return;

(2) the amount of the tax that is not paid, if the person filed the return but failed to pay the full amount of tax shown on the return; or

(3) the amount of the deficiency.

(c) The commissioner shall establish an adjusted rate of interest for a failure described in subsection (a) and for an excess tax payment on or before November 1 of each year. For purposes of subsection (b), the adjusted rate of interest shall be the percentage rounded to the nearest whole number that equals two (2) percentage points above the average investment yield on state general fund money for the state's previous fiscal year, excluding pension fund investments, as determined by the treasurer of state on or before October 1 of each year and reported to the commissioner. For purposes of IC 6-8.1-9-2(c), the adjusted rate of interest for an excess tax payment must be the same as the adjusted rate of interest determined under this subsection for a failure described in subsection (a). The adjusted rates of interest established under this subsection shall take effect on January 1 of the immediately succeeding year.

(d) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(e) Except as provided by IC 6-8.1-3-17(c) and IC 6-8.1-5-2, the department may not waive the interest imposed under this section.

(f) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.60-1990, SEC.13; P.L.48-1994, SEC.3; P.L.2-1995, SEC.36; P.L.2-2005, SEC.23; P.L.236-2005, SEC.2; P.L.1-2006, SEC.147; P.L.211-2007, SEC.43; P.L.113-2014, SEC.13.

IC 6-8.1-10-2

Repealed

(Repealed by P.L.1-1991, SEC.69.)

IC 6-8.1-10-2.1

Liability for penalty

Sec. 2.1. (a) Except as provided in IC 6-3-4-12(j) and IC 6-3-4-13(l), a person that:

(1) fails to file a return for any of the listed taxes;

(2) fails to pay the full amount of tax shown on the person's return on or before the due date for the return or payment;

(3) incurs, upon examination by the department, a deficiency that is due to negligence;

(4) fails to timely remit any tax held in trust for the state; or

(5) is required to make a payment by electronic funds transfer (as defined in IC 4-8.1-2-7), overnight courier, or personal delivery and the payment is not received by the department by the due date in funds acceptable to the department;

is subject to a penalty.

(b) Except as provided in subsection (g), the penalty described in subsection (a) is ten percent (10%) of:

(1) the full amount of the tax due if the person failed to file the return;

(2) the amount of the tax not paid, if the person filed the return but failed to pay the full amount of the tax shown on the return;

(3) the amount of the tax held in trust that is not timely remitted;

(4) the amount of deficiency as finally determined by the department; or

(5) the amount of tax due if a person failed to make payment by electronic funds transfer, overnight courier, or personal delivery by the due date.

(c) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(d) If a person subject to the penalty imposed under this section can show that the failure to file a return, pay the full amount of tax shown on the person's return, timely remit tax held in trust, or pay the deficiency determined by the department was due to reasonable cause and not due to willful neglect, the department shall waive the penalty.

(e) A person who wishes to avoid the penalty imposed under this section must make an affirmative showing of all facts alleged as a reasonable cause for the person's failure to file the return, pay the amount of tax shown on the person's return, pay the deficiency, or timely remit tax held in trust, in a written statement containing a declaration that the statement is made under penalty of perjury. The statement must be filed with the return or payment within the time prescribed for protesting departmental assessments. A taxpayer may also avoid the penalty imposed under this section by obtaining a ruling from the department before the end of a particular tax period on the amount of tax due for that tax period.

(f) The department shall adopt rules under IC 4-22-2 to prescribe the circumstances that constitute reasonable cause and negligence for purposes of this section.

(g) A person who fails to file a return for a listed tax that shows no tax liability for a taxable year, other than an information return (as defined in section 6 of this chapter), on or before the due date of the return shall pay a penalty of ten dollars ($10) for each day that the

return is past due, up to a maximum of two hundred fifty dollars ($250).

(h) A:

(1) corporation which otherwise qualifies under IC 6-3-2-2.8(2);

(2) partnership; or

(3) trust;

that fails to withhold and pay any amount of tax required to be withheld under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15 shall pay a penalty equal to twenty percent (20%) of the amount of tax required to be withheld under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15. This penalty shall be in addition to any penalty imposed by section 6 of this chapter.

(i) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.

(j) If a partnership or an S corporation fails to include all nonresidential individual partners or nonresidential individual shareholders in a composite return as required by IC 6-3-4-12(h) or IC 6-3-4-13(j), a penalty of five hundred dollars ($500) per partnership or S corporation is imposed on the partnership or S corporation.

As added by P.L.1-1991, SEC.70. Amended by P.L.71-1993, SEC.26; P.L.18-1994, SEC.43; P.L.211-2007, SEC.44; P.L.182-2009(ss), SEC.258; P.L.293-2013(ts), SEC.34.

IC 6-8.1-10-3

Failure to file return; preparation by department; penalty

Sec. 3. (a) If a person fails to file a return on or before the due date, the department shall send him a notice, by United States mail, stating that he has thirty (30) days from the date the notice is mailed to file the return. If the person does not file the return within the thirty (30) day period, the department may prepare a return for him, based on the best information available to the department. The department prepared return is prima facie correct.

(b) If the department prepares a person's return under this section, the person is subject to a penalty of twenty percent (20%) of the unpaid tax. In the absence of fraud, the penalty imposed under this section is in place of and not in addition to the penalties imposed under any other section.

As added by Acts 1980, P.L.61, SEC.1.

IC 6-8.1-10-3.5

Failure to file return; penalty for past due returns

Sec. 3.5. If a person fails to file a return on or before the due date as required by IC 6-3-4-1(1) or IC 6-3-4-1(2), where no remittance is due with the return, the person is subject to a penalty of ten dollars ($10) per day for each day that the return is past due, up to a maximum of five hundred dollars ($500).

As added by P.L.131-2008, SEC.31.

IC 6-8.1-10-4

Failure to file return; fraudulent intent to evade tax; penalty

Sec. 4. (a) If a person fails to file a return or to make a full tax payment with that return with the fraudulent intent of evading the tax, the person is subject to a penalty.

(b) The amount of the penalty imposed for a fraudulent failure described in subsection (a) is one hundred percent (100%) multiplied by:

(1) the full amount of the tax, if the person failed to file a return; or

(2) the amount of the tax that is not paid, if the person failed to pay the full amount of the tax.

(c) In addition to the civil penalty imposed under this section, a person who knowingly fails to file a return with the department or fails to pay the tax due under IC 6-6-5, IC 6-6-5.1, or IC 6-6-5.5 commits a Class A misdemeanor.

(d) The penalty imposed under this section is imposed in place of and not in addition to the penalty imposed under section 2.1 of this chapter.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.26-1985, SEC.16; P.L.6-1987, SEC.14; P.L.335-1989(ss), SEC.24; P.L.1-1991, SEC.71; P.L.181-1999, SEC.8; P.L.131-2008, SEC.32.

IC 6-8.1-10-5

Faulty payment; penalty; required use of guaranteed funds

Sec. 5. (a) If a person makes a tax payment with a check, credit card, debit card, or electronic funds transfer, and the department is unable to obtain payment on the check, credit card, debit card, or electronic funds transfer for its full face amount when the check, credit card, debit card, or electronic funds transfer is presented for payment through normal banking channels, a penalty of ten percent (10%) of the unpaid tax or the value of the check, credit card, debit card, or electronic funds transfer, whichever is smaller, is imposed.

(b) When a penalty is imposed under subsection (a), the department shall notify the person by mail that the check, credit card, debit card, or electronic funds transfer was not honored and that the person has ten (10) days after the date the notice is mailed to pay the tax and the penalty either in cash, by certified check, or other guaranteed payment. If the person fails to make the payment within the ten (10) day period, the penalty is increased to thirty percent (30%) multiplied by the value of the check, credit card, debit card, or electronic funds transfer, or the unpaid tax, whichever is smaller.

(c) If a person has been assessed a penalty under subsection (a) more than one (1) time, the department may require all future payments for all listed taxes to be remitted with guaranteed funds.

(d) If the person subject to the penalty under this section can show that there is reasonable cause for the check, credit card, debit card, or electronic funds transfer not being honored, the department may waive the penalty imposed under this section.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.26-1985, SEC.17; P.L.18-1994, SEC.44; P.L.131-2008, SEC.33;

P.L.182-2009(ss), SEC.259; P.L.293-2013(ts), SEC.35.

IC 6-8.1-10-6
Failure to file information return; penalty

Sec. 6. (a) As used in this section, "information return" means the following when a statute or rule requires the following to be filed with the department:

(1) Schedule K-1 of form IT-20S, IT-41, or IT-65.

(2) Any form, statement, or schedule required to be filed with the department with respect to an amount from which tax is required to be deducted and withheld under IC 6 or from which tax would be required to be deducted and withheld but for an exemption under IC 6.

(3) Any form, statement, or schedule required to be filed with the Internal Revenue Service under 26 C.F.R. 301.6721-1(g) (1993).

The term does not include form IT-20FIT, IT-20S, IT-20SC, IT-41, or IT-65.

(b) If a person fails to file an information return required by the department, a penalty of ten dollars ($10) for each failure to file a timely return, not to exceed twenty-five thousand dollars ($25,000) in any one (1) calendar year, is imposed.

(c) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.18-1994, SEC.45.

IC 6-8.1-10-7
Maximum and minimum penalties

Sec. 7. Notwithstanding the various penalty provisions of this chapter, the maximum total penalty that may be assessed against a person under sections 2.1 through 5 of this chapter is one hundred percent (100%) of the unpaid tax and the minimum penalty, if any, that may be assessed under those sections is five dollars ($5).

As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.383-1987(ss), SEC.2; P.L.1-1991, SEC.72; P.L.71-1993, SEC.27.

IC 6-8.1-10-8
Repealed

(Repealed by P.L.107-1987, SEC.50.)

IC 6-8.1-10-9
Dissolution, liquidation, or withdrawal of corporation; notification; clearance

Sec. 9. (a) As used in this section:

(1) "Dissolution" refers to dissolution of a corporation under IC 23-1-45 through IC 23-1-48, IC 23-17-23, or IC 23-17-24.

(2) "Liquidation" means the operation or act of winding up a corporation's affairs, when normal business activities have ceased, by settling its debts and realizing upon and distributing

its assets.

(3) "Withdrawal" refers to the withdrawal of a foreign corporation from Indiana under IC 23-1-50 or IC 23-17-26.

(b) The officers and directors of a corporation effecting dissolution, liquidation, or withdrawal shall do the following:

(1) File all necessary tax returns in a timely manner as required by this title.

(2) Make all tax payments due or determined due to the department or a county treasurer in a timely manner as required by this title.

(3) File with the department a form of notification within thirty (30) days of the issuance of a certificate of dissolution, decree of dissolution, the adoption of a resolution or plan, or the filing of a statement of withdrawal. The form of notification shall be prescribed by the department and may require information concerning:

(A) the corporation's assets;

(B) the corporation's liabilities;

(C) details of the plan or resolution;

(D) the names and addresses of corporate officers, directors, and shareholders;

(E) a copy of the minutes of the shareholders' meeting at which the plan or resolution was formally adopted; and

(F) such other information as the department may require.

The department may accept, in lieu of its own form of notification, a copy of Form 966 that the corporation filed with the Internal Revenue Service.

(c) Unless a clearance is issued under subsection (g), for a period of one (1) year following the filing of the form of notification with the department, or the filing of all necessary tax returns as required by this title, including the final tax return, whichever is later, the corporate officers and directors remain personally liable, subject to IC 23-1-35-1(e) or IC 23-17, for any acts or omissions that result in the distribution of corporate assets in violation of the interests of the state or a political subdivision (as defined in IC 36-1-2-13). An officer or director held liable for an unlawful distribution under this subsection is entitled to contribution:

(1) from every other director who voted for or assented to the distribution, subject to IC 23-1-35-1(e) or IC 23-17; and

(2) from each shareholder for the amount the shareholder accepted.

(d) The corporation's officers' and directors' personal liability includes all taxes, penalties, interest, and fees associated with the collection of the liability due the department or the county. In addition to the penalties provided elsewhere in this title, a penalty of up to thirty percent (30%) of the unpaid tax may be imposed on the corporate officers and directors for failure to take reasonable steps to set aside corporate assets to meet the liability due the department or the county.

(e) If the department or the county treasurer fails to begin a

collection action against a corporate officer or director within the period prescribed by subsection (c), the personal liability of the corporate officer or director expires. The filing of a substantially blank form of notification or a form containing misrepresentation of material facts does not constitute filing a form of notification for the purpose of determining the period of personal liability of the officers and directors of the corporation.

(f) In addition to the remedies contained in this section, the department or county treasurer is entitled to pursue corporate assets that have been distributed to shareholders in violation of the interests of the state or political subdivision. The election to pursue one (1) remedy does not foreclose the state's or the county's option to pursue other legal remedies.

(g) The department may issue a clearance to a corporation effecting dissolution, liquidation, or withdrawal if:

(1) the officers and directors of the corporation have met the requirements of subsections (b) through (c); and

(2) request for the clearance is made in writing by the officers and directors of the corporation within thirty (30) days after the filing of the form of notification with the department.

(h) The issuance of a clearance by the department under subsection (g) releases the officers and directors from personal liability under this section.

(i) This section does not limit the liability of a responsible corporate officer for withheld income taxes or collected gross retail taxes.

As added by P.L.107-1987, SEC.1. Amended by P.L.73-1988, SEC.1; P.L.179-1991, SEC.11.

IC 6-8.1-10-11
Repealed

(Repealed by P.L.254-2003, SEC.14.)

IC 6-8.1-10-12
Additional penalty; failure to participate in amnesty program

Sec. 12. (a) This section applies to a penalty related to a tax liability to the extent that the:

(1) tax liability is for a listed tax;

(2) tax liability was due and payable, as determined under IC 6-8.1-3-17(d), for a tax period ending before July 1, 2004;

(3) department establishes an amnesty program for the tax liability under IC 6-8.1-3-17(c);

(4) individual or entity from which the tax liability is due was eligible to participate in the amnesty program described in subdivision (3); and

(5) tax liability is not paid:

(A) in conformity with a payment program acceptable to the department that provides for payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement entered into between the

department and the taxpayer under IC 6-8.1-3-17(c); or

(B) if clause (A) does not apply, before the end of the amnesty period established by the department.

(b) Subject to subsection (c), if a penalty is imposed or otherwise calculated under any combination of:

(1) IC 6-8.1-1-8;

(2) section 2.1 of this chapter;

(3) section 3 of this chapter;

(4) section 4 of this chapter;

(5) section 5 of this chapter;

(6) section 6 of this chapter;

(7) section 7 of this chapter;

(8) section 9 of this chapter; or

(9) IC 6-6;

an additional penalty is imposed under this section. The amount of the additional penalty imposed under this section is equal to the sum of the penalties imposed or otherwise calculated under the provisions listed in subdivisions (1) through (9).

(c) The additional penalty provided by subsection (b) does not apply if all of the following apply:

(1) The department imposes a penalty on a taxpayer or otherwise calculates the penalty under the provisions described in subsection (b)(1) through (b)(9).

(2) The taxpayer against whom the penalty is imposed:

(A) timely files an original tax appeal in the tax court under IC 6-8.1-5-1; and

(B) contests the department's imposition of the penalty or the tax on which the penalty is based.

(3) The taxpayer meets all other jurisdictional requirements to initiate the original tax appeal.

(4) Either the:

(A) tax court enjoins collection of the penalty or the tax on which the penalty is based under IC 33-26-6-2; or

(B) department consents to an injunction against collection of the penalty or tax without entry of an order by the tax court.

(d) The additional penalty provided by subsection (b) does not apply if the taxpayer:

(1) has a legitimate hold on making the payment as a result of an audit, bankruptcy, protest, taxpayer advocate action, or another reason permitted by the department;

(2) had established a payment plan with the department before May 12, 2005; or

(3) verifies with reasonable particularity that is satisfactory to the commissioner that the taxpayer did not ever receive notice of the outstanding tax liability.

As added by P.L.236-2005, SEC.3. Amended by P.L.1-2009, SEC.59.

IC 6-8.1-10-13
Civil penalties for violations

Sec. 13. (a) A person that:

(1) obtains a permit, license plate, cab card, or any other credential issued by the registration center established under IC 6-8.1-4-4; and

(2) alters the permit, license plate, cab card, or other credential;

is subject to a civil penalty of five hundred dollars ($500) for the first violation and one thousand dollars ($1,000) for each subsequent violation.

(b) A person that:

(1) is required to obtain a permit, a license plate, a cab card, or other credential issued by the registration center established under IC 6-8.1-4-4; and

(2) operates without obtaining the required permit, license plate, cab card, or other credential;

is subject to a civil penalty of five thousand dollars ($5,000) for each violation.

(c) A civil penalty imposed under this section:

(1) shall be deposited in the motor carrier regulation fund established by IC 8-2.1-23-1; and

(2) is in addition to any fines levied by a court.

As added by P.L.176-2006, SEC.7.

IC 6-8.1-11
Chapter 11. Transition

IC 6-8.1-11-1
Repealed
(Repealed by P.L.332-1989(ss), SEC.47.)

IC 6-8.1-11-2
Legislative findings
Sec. 2. The general assembly makes the following findings:
(1) A balance must be maintained between the need of the state for revenue collection and the right of Indiana citizens for freedom from governmental oppression.
(2) Guarantees must be established in Indiana law to ensure that the rights, privacy, and property of taxpayers are adequately protected during the assessment and collection of taxes.
(3) The Indiana tax system is based largely on voluntary compliance.
(4) The development of understandable tax laws and the education of taxpayers concerning the tax laws will improve voluntary compliance and the relationship between the state and taxpayers.
As added by P.L.332-1989(ss), SEC.36.

IC 6-8.1-11-3
Taxpayer rights advocate
Sec. 3. The department shall appoint an employee to serve as a taxpayer rights advocate who shall facilitate the resolution of taxpayer complaints and problems, including unsatisfactory treatment of taxpayers by department employees.
As added by P.L.332-1989(ss), SEC.37.

IC 6-8.1-12

Chapter 12. Taxpayer Education and Information Program

IC 6-8.1-12-1

Development and implementation of program

Sec. 1. The department shall develop and implement a taxpayer education and information program.

As added by P.L.332-1989(ss), SEC.38.

IC 6-8.1-12-2

Purpose

Sec. 2. The purpose of the program is to educate and inform all taxpayers, including the following:

(1) Businesses liable for taxes for the first time.

(2) Groups of taxpayers with a pattern of noncompliance.

(3) Employees of the department.

As added by P.L.332-1989(ss), SEC.38.

IC 6-8.1-12-3

Mandatory program projects

Sec. 3. The program must include the following projects:

(1) Communications with taxpayers listed in section 2 of this chapter that explain in simplified terms the most common errors of taxpayer noncompliance that the taxpayers are likely to encounter.

(2) Communications with taxpayers described in section 2(1) of this chapter that explain in simplified terms the duties of the taxpayer and the most common areas of noncompliance by this group of taxpayers.

(3) Participation in small business seminars and similar programs organized by state and local agencies.

(4) Review and revision of taxpayer educational materials produced by the department to identify the most common errors of taxpayer noncompliance that the taxpayers are likely to encounter.

(5) Implementation of a continuing education program for employees of the department, including the following:

(A) The application of new legislation and rules to taxpayer activities.

(B) Areas of recurring taxpayer noncompliance.

(C) Areas of inconsistent administration by the department.

As added by P.L.332-1989(ss), SEC.38.

IC 6-8.1-12-4

Repealed

(Repealed by P.L.71-1993, SEC.28.)

IC 6-8.1-14

Chapter 14. Annual Public Hearing and Department Report

IC 6-8.1-14-1

Annual public hearing

Sec. 1. The department shall conduct a public hearing no later than July 1 of each year. The commissioner and the department employee responsible for the administration of each division established under IC 6-8.1-4 shall preside over the hearing.

As added by P.L.332-1989(ss), SEC.39.

IC 6-8.1-14-2

Taxpayer input

Sec. 2. The department shall accept proposals from taxpayers at the hearing for changes in statutes and rules to better implement the findings set forth in IC 6-8.1-11-2.

As added by P.L.332-1989(ss), SEC.39. Amended by P.L.1-2010, SEC.37.

IC 6-8.1-14-3

Annual report

Sec. 3. The department shall submit a report to the governor and legislative council no later than October 1 of each year. A report submitted under this section to the legislative council must be in an electronic format under IC 5-14-6.

As added by P.L.332-1989(ss), SEC.39. Amended by P.L.28-2004, SEC.68.

IC 6-8.1-14-4

Contents of report

Sec. 4. The report prepared under section 3 of this chapter must include the following:

(1) Areas of recurring taxpayer noncompliance.

(2) A statistical study under IC 6-8.1-7-2 from the department audit process, including the following:

(A) The statute or rule violated by the taxpayers.

(B) The amount of tax involved.

(C) The industry or business of the taxpayers.

(D) The number of years in the audit period.

(E) The use of professional tax preparation assistance by the taxpayers.

(F) The filing of appropriate tax returns by the taxpayers.

(3) Recommendations for improving taxpayer compliance and department administration by the following:

(A) The adoption of new or amended statutes and rules.

(B) Improvements in the training of department employees.

(C) Improvements in taxpayer communication and education.

(D) Increases in the enforcement capability of the department.

(4) The certification required under IC 6-8.1-3-2.6.

As added by P.L.332-1989(ss), SEC.39.

IC 6-8.1-15

Chapter 15. Taxing Situs of Mobile Telecommunications Service

IC 6-8.1-15-1

"Charges for mobile telecommunications service" defined

Sec. 1. As used in this chapter, "charges for mobile telecommunications service" means any charge for or associated with the provision of commercial mobile radio service, as defined in Section 20.3 of Title 47 of the Code of Federal Regulations as in effect on June 1, 1999, or any charge for or associated with a service provided as an adjunct to a commercial mobile radio service, that is billed to the customer by or for the customer's home service provider regardless of whether individual transmissions originate or terminate within the licensed service area of the home service provider.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-2

"Customer" defined

Sec. 2. (a) As used in this chapter, except as provided in subsection (b), "customer" means:

(1) the person or entity that contracts with the home service provider for mobile telecommunications service; or

(2) if the end user of mobile telecommunications service is not the contracting party, the end user of the mobile telecommunications service, but this subdivision applies only for the purpose of determining the place of primary use.

(b) The term "customer" does not include:

(1) a reseller of mobile telecommunications service; or

(2) a serving carrier under an arrangement to serve the customer outside the home service provider's licensed service area.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-3

"Designated data base provider" defined

Sec. 3. As used in this chapter, "designated data base provider" means a corporation, an association, or other entity representing the state and political subdivisions of the state that is responsible for providing an electronic data base under section 15 of this chapter and approved by the department.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-4

"Enhanced ZIP code" defined

Sec. 4. As used in this chapter, "enhanced ZIP code" means a United States postal ZIP code of nine (9) or more digits.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-5

"Home service provider" defined

Sec. 5. As used in this chapter, "home service provider" means the facilities based carrier or reseller with which the customer contracts for the provision of mobile telecommunications service.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-6
"Licensed service area" defined
Sec. 6. As used in this chapter, "licensed service area" means the geographic area in which the home service provider is authorized by law or contract to provide commercial mobile radio service to the customer.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-7
"Mobile telecommunications service" defined
Sec. 7. As used in this chapter, "mobile telecommunications service" means commercial mobile radio service, as defined in Section 20.3 of Title 47 of the Code of Federal Regulations as in effect on June 1, 1999.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-8
"Place of primary use" defined
Sec. 8. As used in this chapter, "place of primary use" means the street address representative of where the customer's use of the mobile telecommunications service primarily occurs, which must be:
(1) the residential street address or the primary business street address of the customer; and
(2) within the licensed service area of the home service provider.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-9
"Prepaid telephone calling service" defined
Sec. 9. As used in this chapter, "prepaid telephone calling service" means the right to purchase exclusively telecommunications service that must be paid for in advance that enables the origination of calls using an access number or authorization code, or both, whether manually or electronically dialed, if the remaining amount of units of service that has been prepaid is known by the provider of the prepaid service on a continuous basis.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-10
"Reseller" defined
Sec. 10. As used in this chapter, "reseller" means a provider who purchases telecommunications service from another telecommunications service provider and then resells, uses as a component part of, or integrates the purchased service into a mobile telecommunications service. The term does not include a serving

carrier with which a home service provider arranges for the service to its customers outside the home service provider's licensed service area.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-11
"Serving carrier" defined

Sec. 11. As used in this chapter, "serving carrier" means a facilities based carrier providing mobile telecommunications service to a customer outside a home service provider's or reseller's licensed service area.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-12
Legislative findings of fact

Sec. 12. The general assembly finds that:

(1) the United States Congress has enacted the Mobile Telecommunications Sourcing Act (4 U.S.C. 116 et seq.) for the purpose of establishing uniform nationwide sourcing rules for state and local taxation of mobile telecommunications service;

(2) the federal Mobile Telecommunications Sourcing Act provides that taxes on mobile telecommunications service shall be paid to the jurisdiction where the customer's primary use of the service occurs, irrespective of where the mobile telecommunications service originates, terminates, or passes through; and

(3) it is desirable to implement the federal Mobile Telecommunications Sourcing Act in Indiana.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-13
Application of chapter

Sec. 13. (a) Except as provided by section 20 of this chapter, this chapter applies to:

(1) the gross retail tax imposed on mobile telecommunications service under IC 6-2.5-4-6;

(2) the statewide 911 fee imposed on communications service under IC 36-8-16.7; and

(3) any other tax, charge, or fee levied by the state or a taxing jurisdiction within Indiana as a fixed charge for each customer or measured by gross amounts charged to customers for mobile telecommunications service, regardless of whether the tax, charge, or fee is imposed on the vendor or customer of the service and regardless of the terminology used to describe the tax, charge, or fee;

on bills for mobile telecommunications service issued to customers after July 31, 2002.

(b) This chapter does not apply to:

(1) any tax, charge, or fee levied upon or measured by the net income, capital stock, net worth, or property value of the

provider of mobile telecommunications service;

(2) any tax, charge, or fee that is applied to an equitably apportioned amount that is not determined on a transactional basis;

(3) any tax, charge, or fee that:

(A) represents compensation for a mobile telecommunications service provider's use of public rights-of-way or other public property; and

(B) is not levied by the taxing jurisdiction as a fixed charge for each customer or measured by gross amounts charged to customers for mobile telecommunication service;

(4) any generally applicable business and occupation tax that is imposed by the state, is applied to gross receipts or gross proceeds, is the legal liability of the home service provider, and that statutorily allows the home service provider to elect to use the sourcing method required in this section; or

(5) the determination of the taxing situs of:

(A) prepaid telephone calling service; or

(B) air-ground radiotelephone service as defined in Section 22.99 of Title 47 of the Code of Federal Regulations as in effect June 1, 1999.

As added by P.L.104-2002, SEC.2. Amended by P.L.132-2012, SEC.5.

IC 6-8.1-15-14

Sourcing of telecommunications service

Sec. 14. (a) Notwithstanding any other law, mobile telecommunications service provided in a taxing jurisdiction to a customer, the charges for which are billed by or for the customer's home service provider, are considered to be provided by the customer's home service provider.

(b) All charges for mobile telecommunications service that are considered to be provided by the customer's home service provider under this chapter are authorized to be subjected to tax, charge, or fee by the taxing jurisdictions whose territorial limits encompass the customer's place of primary use, regardless of where the mobile telecommunication service originates, terminates, or passes through.

(c) This chapter does not:

(1) authorize a taxing jurisdiction to impose a tax, charge, or fee that the jurisdiction is not otherwise authorized to impose; or

(2) modify, impair, supersede, or authorize the modification, impairment, or supersession of the law of any taxing jurisdiction pertaining to taxation except as expressly provided by this chapter.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-15

Electronic data base

Sec. 15. (a) The department may provide an electronic data base to a home service provider or, if the department does not provide an

electronic data base to home service providers, the designated data base provider may provide an electronic data base to a home service provider. The department or the designated data base provider shall provide the data base in a format that complies with the requirements of the federal Mobile Telecommunications Sourcing Act (4 U.S.C. 116 et seq.).

(b) The department or designated data base provider shall provide notice of the availability of the then current electronic data base and any subsequent revisions of the data base by publication in the manner normally employed for the publication of informational tax, charge, or fee notices to taxpayers in Indiana.

(c) A home service provider using the data contained in an electronic data base described in this section shall be held harmless from any tax, charge, or fee liability that otherwise would be due solely as a result of any error or omission in the data base. The home service provider shall reflect changes made to the data base during a calendar quarter not later than thirty (30) days after the end of the calendar quarter.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-16

Use of enhanced ZIP codes

Sec. 16. (a) If an electronic data base is not provided under section 15 of this chapter, a home service provider shall be held harmless from any tax, charge, or fee liability in Indiana that otherwise would be due solely as a result of an assignment of a street address to an incorrect taxing jurisdiction if, subject to section 18 of this chapter, the home service provider employs an enhanced ZIP code to assign each street address to a specific taxing jurisdiction for each level of taxing jurisdiction and exercises due diligence at each level of taxing jurisdiction to ensure that each street address is assigned to the correct taxing jurisdiction. If an enhanced ZIP code overlaps boundaries of taxing jurisdictions of the same level, the home service provider must designate one (1) specific jurisdiction within the enhanced ZIP code for use in taxing the activity for that enhanced ZIP code for each level of taxing jurisdiction. Any enhanced ZIP code assignment changed in accordance with section 18 of this chapter is considered to be in compliance with this section.

(b) For purposes of this section, there is a rebuttable presumption that a home service provider has exercised due diligence if the home service provider demonstrates that it has:

(1) expended reasonable resources to implement and maintain an appropriately detailed electronic data base of street address assignments to taxing jurisdictions;

(2) implemented and maintained reasonable internal controls to promptly correct misassignments of street addresses to taxing jurisdictions; and

(3) used all reasonably obtainable and usable data pertaining to municipal annexation, incorporations, reorganizations, and any other changes in jurisdictional boundaries that materially affect

the accuracy of the data base.

(c) This section applies to a home service provider that is in compliance with the requirements of this section until the later of:

(1) eighteen (18) months after the nationwide standard numeric code described in the federal Mobile Telecommunications Sourcing Act (4 U.S.C. 116 et seq.) has been approved by the Federation of Tax Administrators and the Multistate Tax Commission; or

(2) six (6) months after the department or a designated data base provider provides a data base as described in section 15 of this chapter.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-17

Reliance on address supplied by customer

Sec. 17. (a) A home service provider is responsible for obtaining and maintaining the customer's place of primary use. Subject to section 18 of this chapter, a home service provider may rely on the applicable residential or business street address supplied by the home service provider's customer and is not liable for any additional taxes, charges, or fees based on a different determination of the place of primary use for taxes, charges, or fees that are customarily passed on to the customer as a separate itemized charge if the reliance on information provided by its customer is in good faith.

(b) Except as provided in section 18 of this chapter, a home service provider may treat the address used by the home service provider for tax purposes for any customer under a service contract or agreement in effect on or before July 28, 2002, as that customer's place of primary use for the remaining term of the service contract or agreement, excluding any extension or renewal of the service contract or agreement, for purposes of determining the taxing jurisdictions to which taxes, charges, or fees on charges for mobile telecommunications service are remitted.

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-18

Correction of erroneous data by department

Sec. 18. (a) The department may determine that the address used for purposes of determining the taxing jurisdictions to which taxes, charges, or fees for mobile telecommunications service are remitted does not meet the definition of "place of primary use" in this chapter and give binding notice to the home service provider to change the place of primary use on a prospective basis from the date of notice of determination. Before the department gives a notice of determination, the customer must be given an opportunity to demonstrate in accordance with department rules and administrative procedures that the address is the customer's place of primary use.

(b) The department may determine that the assignment of a taxing jurisdiction by a home service provider under section 16 of this chapter does not reflect the correct taxing jurisdiction and give

binding notice to the home service provider to change the assignment on a prospective basis from the date of notice of determination. The home service provider must be given an opportunity to demonstrate in accordance with department rules and administrative procedures that the assignment reflects the correct taxing jurisdiction.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-19
Identification of nontaxable services

Sec. 19. If charges for nontaxable mobile telecommunications service are aggregated with and not separately stated from charges that are subject to taxation, the charges for nontaxable mobile telecommunications service are subject to taxation unless the home service provider can reasonably identify charges not subject to the tax, charge, or fee from its books and records that are kept in the regular course of business.
As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-20
Application of chapter if federal law invalidated

Sec. 20. Notwithstanding any other provision of this chapter, this chapter does not apply to any tax, charge, or fee levied by the state or a taxing jurisdiction within Indiana beginning on the date of entry of a final judgment on the merits by a court that:

(1) is based on federal law;
(2) is no longer subject to appeal; and
(3) substantially limits or impairs the essential elements of the federal Mobile Telecommunications Sourcing Act (4 U.S.C. 116 et seq.).

As added by P.L.104-2002, SEC.2.

IC 6-8.1-15-21
Customer remedies

Sec. 21. (a) If a customer believes that an amount of tax, charge, or fee or an assignment of place of primary use or taxing jurisdiction included on a bill under this chapter is erroneous, the customer shall notify the home service provider in writing. The customer shall include in the written notification the street address for the customer's place of primary use, the account name and number for which the customer seeks a correction, a description of the error asserted by the customer, and any other information that the home service provider reasonably requires to process the request.

(b) Within sixty (60) days after receiving a notice under this section, the home service provider shall review its records to determine the customer's taxing jurisdiction. If the review shows that the amount of tax, charge, or fee or assignment of place of primary use or taxing jurisdiction is in error, the home service provider shall correct the error and refund or credit the amount of tax, charge, or fee erroneously collected from the customer for a period of up to two (2) years. If the review shows that the amount of tax, charge, or fee or

assignment of place of primary use or taxing jurisdiction is correct, the home service provider shall provide a written explanation to the customer.

(c) The procedures set forth in this section are the first course of remedy available to a customer seeking correction of assignment of place of primary use or taxing jurisdiction, or a refund of or other compensation for taxes, charges, or fees erroneously collected by the home service provider. No cause of action based upon a dispute arising from the collection of any such taxes, charges, or fees shall accrue until a customer has exhausted the remedies set forth in this section.

As added by P.L.104-2002, SEC.2.

IC 6-9

ARTICLE 9. INNKEEPER'S TAXES; OTHER LOCAL TAXES

IC 6-9-1

Chapter 1. St. Joseph County Innkeeper's Tax

IC 6-9-1-0.3

Legalization of certain expenditures to promote tourism in St. Joseph County

Sec. 0.3. (a) This section applies to expenditures made before July 1, 1994.

(b) As used in this section, "fund" refers to the convention and exhibition center fund established under section 6 of this chapter.

(c) Notwithstanding section 6 of this chapter, expenditures made from the fund to promote tourism in St. Joseph County are legalized and validated, regardless of whether the money was directly used by the special funds board of managers to promote a convention and exhibition center.

As added by P.L.220-2011, SEC.163.

IC 6-9-1-1

"Board of managers" defined

Sec. 1. As used in this chapter, "board of managers" means the special funds board of managers created under section 2 of this chapter.

(Formerly: Acts 1972, P.L.58, SEC.1.) As amended by P.L.74-1988, SEC.1.

IC 6-9-1-2

Special funds board of managers; creation in certain counties; membership; compensation

Sec. 2. (a) In a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), there is hereby created on and after January 1, 1973, a special funds board of managers.

(b) The board of managers shall be composed of eleven (11) members as follows:

(1) Six (6) appointed by the mayor of the city having the largest population in the county, one (1) of whom shall be from the hotel motel industry.

(2) Three (3) appointed by the mayor of the city having the second largest population in the county, one (1) of whom may be from the hotel motel industry.

(3) Two (2) appointed by the board of county commissioners of such county, one (1) of whom shall be from the hotel motel industry.

(c) Except for the members first appointed, each member of the board of managers shall serve for a term of two (2) years commencing on the fifteenth day of the January following their

appointment and until their successors are appointed and are qualified.

(d) The two (2) members first appointed by the board of commissioners shall serve from the date of their appointment staggered terms as follows:

(1) One (1) to January 15 of the year following the appointment.

(2) One (1) to January 15 of the second year following the appointment.

(e) Three (3) of the members first appointed by the mayor of the city having the largest population in the county and the three (3) members first appointed by the mayor of the city having the second largest population in the county shall serve from the date of their appointment as follows:

(1) One (1) appointed by each mayor to January 15 of the year following the appointment.

(2) Two (2) appointed by each mayor to January 15 of the second year following their appointment.

(f) The three (3) remaining members first appointed by the mayor of the city having the largest population in the county shall serve to January 15 of the second year following their appointment.

(g) At the end of the term of any member of the board of managers, the person or body making the original appointment may reappoint such person whose term has expired or appoint a new member for a full two (2) year term.

(h) If a vacancy occurs in the board of managers during any term, a successor for the vacancy shall be appointed by the person or body making the original appointment, and such successor shall serve for the remainder of the vacated term.

(i) Any member of the board of managers may be removed for cause by the person or body making the original appointment.

(j) No more than two (2) members of the board of managers appointed by the mayor of the city with the second largest population in the county shall be of the same political party. No more than three (3) of the board of managers appointed by the mayor of the city having the largest population in the county shall be of the same political party.

(k) Each member of the board of managers, before entering upon the member's duties, shall take and subscribe an oath of office in the usual form, to be endorsed upon the member's certificate of appointment, which shall be promptly filed with the county's circuit court clerk. Each member of the board of managers must be a resident of the county during the member's entire term. Such member shall receive no salary, but shall be entitled to reimbursement for any expenses necessarily incurred in the performance of the member's duties.

(Formerly: Acts 1972, P.L.58, SEC.1.) As amended by Acts 1980, P.L.62, SEC.1; P.L.12-1992, SEC.31; P.L.119-2012, SEC.54.

IC 6-9-1-3
Meetings; election of officers; quorum

Sec. 3. Promptly after the fifteenth day of January of each year, the board of managers shall hold a meeting for the purpose of organization. They shall choose one of their members president, another vice-president, another secretary and another treasurer, who shall perform the duties pertaining to those offices. Such officers first so chosen shall serve from the date of their election until their successors are elected and qualified. The members shall be authorized to adopt such by-laws, rules and regulations as they may deem necessary for the proper conduct of their proceedings, the carrying out of their duties and the safeguarding of the funds and the property entrusted to their care. A majority of the board of managers shall constitute a "quorum", and the concurrence of a majority of the board of managers shall be necessary to authorize any action.
(Formerly: Acts 1972, P.L.58, SEC.1.)

IC 6-9-1-4
Management of funds

Sec. 4. All funds coming into possession of the board of managers shall be deposited, held secured or invested and paid in accordance with the general laws of the state relating to the handling of public funds. The handling and expenditure of funds coming into possession of the board of managers shall be subject to audit and supervision by the state board of accounts.
(Formerly: Acts 1972, P.L.58, SEC.1.)

IC 6-9-1-5
Tax levy; rate; payment and collection; exemption

Sec. 5. (a) In a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), there shall be levied each year a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin. Such tax shall be at the rate of six percent (6%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on such persons by IC 6-2.5. The tax shall be reported on forms approved by the county treasurer, and shall be paid quarterly to the county treasurer not more than twenty (20) days after the end of the quarter in which the tax is collected. All provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, exemptions, and definitions apply to the imposition of the tax imposed by this section except as otherwise provided by this chapter, and except that the county treasurer, and not the department of state revenue, is responsible for administration of the tax. All provisions of IC 6-8.1 apply to the county treasurer with respect to the tax imposed by this section in the same manner that they apply to the department of state revenue with respect to the other listed taxes under IC 6-8.1-1-1.

(b) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a

person for a period of thirty (30) days or more.
(Formerly: Acts 1972, P.L.58, SEC.1.) As amended by Acts 1977, P.L.91, SEC.1; Acts 1979, P.L.82, SEC.1; P.L.97-1983, SEC.5; P.L.12-1992, SEC.32; P.L.49-1994, SEC.1; P.L.67-1997, SEC.1; P.L.119-2012, SEC.55.

IC 6-9-1-6
Convention and exhibition center fund

Sec. 6. (a) As used in this section, "fund" refers to the convention and exhibition center fund.

(b) As used in this section, "primary capital improvement" means a capital improvement in the nature of a convention and exhibition center for which the majority of the money deposited in the fund in calendar year 1993 was used.

(c) The tax revenues collected by the county treasurer under section 5 of this chapter shall be deposited quarterly in the convention and exhibition center fund.

(d) Money in the fund shall be expended by the board of managers to:

(1) finance, construct, improve, equip, operate, promote, and maintain any capital improvement in the nature of a convention and exhibition center;
(2) renovate, equip, operate, and maintain any existing structure which may be used as a convention and exhibition center;
(3) refund bonds issued for a purpose described in subdivisions (1) through (2), make lease payments incurred, or retire bonds issued to finance, construct, improve, or equip a capital project described in this section;
(4) promote tourism; or
(5) any other purpose described in this section.

(e) The board of managers shall expend money in the fund that is not used to operate a facility or make payments under a lease agreement in the following order of priority:

(1) First, to preserve and enhance the physical condition and economic competitiveness of the primary capital improvement, including the establishment of reasonable reserves.
(2) Second, for capital improvements to support, supplement, or enhance the utilization of the primary capital improvement and for tourism promotion. However, the capital improvements to which this subdivision applies must be managed directly or ultimately by the governing body of the primary capital improvement.

(f) The board of managers is authorized to enter into lease arrangements with governmental or private agencies for the purpose of using the facilities for convention, civic, or exhibition activities. The convention and exhibition center fund may be obligated by the board of managers and used for the purpose of paying any amount agreed upon in said lease agreement with governmental or private agencies.

(g) With respect to obligations to refund or retire bonds or loans

issued or make lease payments incurred for a purpose described in this section, the general assembly covenants with the holders of these obligations that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the portion of the tax imposed under this chapter that is authorized to be expended for an obligation; and

(2) this chapter will not be amended in any manner that will change the purpose for which the revenues from the tax imposed under this chapter;

as long as the payment of any of those obligations is outstanding.

(Formerly: Acts 1972, P.L.58, SEC.1; Acts 1975, P.L.197, SEC.13.) As amended by Acts 1980, P.L.62, SEC.2; P.L.97-1983, SEC.6; P.L.49-1994, SEC.2.

IC 6-9-1-7

Proposed budget; approval

Sec. 7. The board of managers shall prepare a proposed budget for each calendar year covering its projected operating expenses, its estimated income, and reasonable reserves. At the same time, the board shall prepare a report on the cost effectiveness of expenditures for operating subsidies and promotion programs and submit the report with the proposed budget. The board of managers shall submit its proposed budget to the county council. The county council shall review the board's proposed budget, and the county council shall either approve, increase, or decrease the board's proposed budget. However, the county council may not increase or decrease the board's proposed budget unless two-thirds (2/3) of the members of the county council vote in favor of the increase or decrease. The board's proposed budget as approved, increased, or decreased by the county council is the board's budget for the calendar year. The board of managers may not make an expenditure which is not provided for in the budget as approved, increased, or decreased by the county council, unless the additional expenditure is approved by the county council.

As added by Acts 1977, P.L.91, SEC.2. Amended by P.L.49-1994, SEC.3.

IC 6-9-2

Chapter 2. Lake County Innkeeper's Tax

IC 6-9-2-0.3

Repealed

(Repealed by P.L.6-2012, SEC.58.)

IC 6-9-2-1

Tax on lodgings; rate; returns; disposition of revenue

Sec. 1. (a) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) that establishes a medical center development agency pursuant to IC 16-23.5-2 may levy each year a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days by the same party in the same room, any room or rooms, lodgings, or accommodations, in any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished for a consideration.

(b) Such tax shall be at a rate of five percent (5%) on the gross retail income derived therefrom and is in addition to the state gross retail tax imposed on the retail transaction.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted. The tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected.

(d) All of the provisions of the state gross retail tax (IC 6-2.5) relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" shall have the same meaning in this section as they have in the state gross retail tax (IC 6-2.5). If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(e) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid by the end of the next succeeding month by the treasurer of state to the county treasurer upon warrants issued by the auditor of state. The county treasurer shall deposit the revenue received under this chapter as provided in section 2 of this chapter.

(Formerly: Acts 1972, P.L.58, SEC.2; Acts 1975, P.L.69, SEC.1.) As amended by Acts 1981, P.L.11, SEC.39; Acts 1982, P.L.67, SEC.1; P.L.96-1983, SEC.1; P.L.108-1987, SEC.1; P.L.12-1992, SEC.33; P.L.67-1997, SEC.2; P.L.2-2007, SEC.130; P.L.172-2011, SEC.90.

IC 6-9-2-2
Allocation of revenue

Sec. 2. (a) The revenue received by the county treasurer under this chapter shall be allocated to the Lake County convention and visitor bureau, Indiana University-Northwest, Purdue University-Calumet, municipal public safety departments, municipal physical and economic development divisions, and the cities and towns in the county as provided in this section. Subsections (b) through (g) do not apply to the distribution of revenue received under section 1 of this chapter from hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or accommodations built or refurbished after June 30, 1993, that are located in the city of Gary.

(b) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion fund (referred to in this chapter as the "promotion fund"). The county treasurer shall transfer to the Lake County convention and visitor bureau for deposit in the promotion fund thirty-five percent (35%) of the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. The promotion fund consists of:

(1) money in the promotion fund on June 30, 2005;

(2) revenue deposited in the promotion fund under this subsection after June 30, 2005; and

(3) investment income earned on the promotion fund's assets.

Money in the funds established by the bureau may be expended to promote and encourage conventions, trade shows, special events, recreation, and visitors. Money may be paid from the funds established by the bureau, by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer to Indiana University-Northwest forty-four and thirty-three hundredths percent (44.33%) of the revenue received under this chapter for that year to be used as follows:

(1) Seventy-five percent (75%) of the revenue received under this subsection may be used only for the university's medical education programs.

(2) Twenty-five percent (25%) of the revenue received under this subsection may be used only for the university's allied health education programs.

(d) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall allocate among the cities and towns throughout the

county nine percent (9%) of the revenue received under this chapter for that year as follows:

(1) Ten percent (10%) of the revenue covered by this subsection shall be distributed to cities having a population of more than eighty thousand (80,000) but less than eighty thousand four hundred (80,400).

(2) Ten percent (10%) of the revenue covered by this subsection shall be distributed to cities having a population of more than eighty thousand five hundred (80,500) but less than one hundred thousand (100,000).

(3) Ten percent (10%) of the revenue covered by this subsection shall be distributed to cities having a population of more than twenty-nine thousand six hundred (29,600) but less than twenty-nine thousand nine hundred (29,900).

(4) Seventy percent (70%) of the revenue covered by this subsection shall be distributed in equal amounts to each town and each city not receiving a distribution under subdivisions (1) through (3).

The money distributed under this subsection may be used only for tourism and economic development projects. The county treasurer shall make the distributions on or before December 1 of each year.

(e) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer to Purdue University-Calumet nine percent (9%) of the revenue received under this chapter for that year. The money received by Purdue University-Calumet may be used by the university only for nursing education programs.

(f) This subsection applies to the first one million two hundred thousand dollars ($1,200,000) of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer two and sixty-seven hundredths percent (2.67%) of the revenue received under this chapter for that year to the following cities:

(1) Fifty percent (50%) of the revenue covered by this subsection shall be transferred to cities having a population of more than eighty thousand (80,000) but less than eighty thousand four hundred (80,400).

(2) Fifty percent (50%) of the revenue covered by this subsection shall be transferred to cities having a population of more than eighty thousand five hundred (80,500) but less than one hundred thousand (100,000).

Money transferred under this subsection may be used only for convention facilities located within the city. In addition, the money may be used only for facility marketing, sales, and public relations programs. Money transferred under this subsection may not be used for salaries, facility operating costs, or capital expenditures related to the convention facilities. The county treasurer shall make the transfers on or before December 1 of each year.

(g) This subsection applies to the revenue received from the tax

imposed under this chapter in each year that exceeds one million two hundred thousand dollars ($1,200,000). During each year, the county treasurer shall distribute money in the promotion fund as follows:

(1) Eighty-five percent (85%) of the revenue covered by this subsection shall be deposited in the convention, tourism, and visitor promotion fund. The money deposited in the fund under this subdivision may be used only for the purposes for which other money in the fund may be used.

(2) Five percent (5%) of the revenue covered by this subsection shall be transferred to Purdue University-Calumet. The money received by Purdue University-Calumet under this subdivision may be used by the university only for nursing education programs.

(3) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's medical education programs.

(4) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's allied health education programs.

(h) This subsection applies only to the distribution of revenue received from the tax imposed under section 1 of this chapter from hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or accommodations built or refurbished after June 30, 1993, that are located in the city of Gary. During each year, the county treasurer shall transfer:

(1) seventy-five percent (75%) of the revenues under this subsection to the department of public safety; and

(2) twenty-five percent (25%) of the revenues under this subsection to the division of physical and economic development;

of the city of Gary.

(i) The Lake County convention and visitor bureau shall assist the county treasurer, as needed, with the calculation of the amounts that must be deposited and transferred under this section.

As added by Acts 1982, P.L.67, SEC.2. Amended by P.L.96-1983, SEC.2; P.L.108-1987, SEC.2; P.L.27-1992, SEC.7; P.L.277-1993(ss), SEC.130; P.L.102-1995, SEC.1; P.L.68-1996, SEC.1; P.L.170-2002, SEC.30; P.L.168-2005, SEC.1; P.L.223-2007, SEC.6; P.L.211-2007, SEC.45; P.L.113-2010, SEC.70; P.L.172-2011, SEC.91; P.L.119-2012, SEC.56; P.L.137-2012, SEC.110.

IC 6-9-2-3

Convention and visitor bureau; creation; membership; terms; organization

Sec. 3. (a) For purposes of this section, the size of a political

subdivision is based on the population determined in the last federal decennial census.

(b) A convention and visitor bureau having nineteen (19) members is created to promote the development and growth of the convention, tourism, and visitor industry in the county.

(c) The executives (as defined by IC 36-1-2-5) of the five (5) largest cities and the seven (7) largest towns in the county shall each appoint one (1) member to the bureau. The legislative body (as defined in IC 36-1-2-9) of the two (2) largest municipalities in the county shall each appoint one (1) member to the bureau.

(d) The county council shall appoint two (2) members to the bureau. One (1) of the appointees must be a resident of the fifth largest city in the county, and one (1) of the appointees must be a resident of the eighth largest town in the county. The appointees may not be of the same political party.

(e) The county commissioners shall appoint two (2) members to the bureau. One (1) of the appointees must be a resident of the sixth largest town in the county. One (1) of the appointees must be a resident of the seventh largest town in the county. The appointees may not be of the same political party.

(f) The lieutenant governor shall appoint one (1) member to the bureau.

(g) No appointee under this section may hold an elected or appointed political office while serving on the bureau.

(h) In making appointments under this section, the appointing authority shall give sole consideration to individuals who are knowledgeable about or employed as executives or managers in at least one (1) of the following businesses in the county:

(1) Hotel.
(2) Motel.
(3) Restaurant.
(4) Travel.
(5) Transportation.
(6) Convention.
(7) Trade show.
(8) A riverboat licensed under IC 4-33.
(9) Banking.
(10) Real estate.
(11) Construction.

However, an individual employed by a riverboat may not be appointed under this section unless the individual holds a Level 1 occupational license issued under IC 4-33-8. This subsection does not apply to board members appointed before July 1, 2007, who are eligible for reappointment after June 30, 2007.

(i) All terms of office of bureau members begin on July 1. Members of the bureau serve terms of three (3) years. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an appointment is not made before July 16 or a vacancy is not filled within thirty (30) days,

the member appointed by the lieutenant governor under subsection (f) shall appoint a qualified person.

(j) A member of the bureau may be removed for cause by the member's appointing authority.

(k) Members of the bureau may not receive a salary. However, bureau members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(l) Each bureau member, before entering the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(m) The bureau shall meet after July 1 each year for the purpose of organization. The bureau shall elect a chairman from its members. The bureau shall also elect from its members a vice chairman, a secretary, and a treasurer. The members serving in those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve until their successors are elected and qualified. A majority of the bureau constitutes a quorum, and the concurrence of a majority of those present is necessary to authorize any action.

(n) If the county and one (1) or more adjoining counties desire to establish a joint bureau, the counties shall enter into an agreement under IC 36-1-7.

(o) Notwithstanding any other law, any bureau member appointed as of January 1, 2007, is eligible for reappointment.

As added by Acts 1982, P.L.67, SEC.3. Amended by P.L.96-1983, SEC.3; P.L.68-1996, SEC.2; P.L.176-2002, SEC.4; P.L.168-2005, SEC.2; P.L.223-2007, SEC.7; P.L.172-2011, SEC.92.

IC 6-9-2-4
Powers of bureau

Sec. 4. (a) The bureau may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the bureau considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money from any fund established by the bureau, the promotion fund, or the alternate revenue fund to any Indiana nonprofit corporation to promote and encourage conventions, trade shows, visitors, or special events in the county;

(7) require financial or other reports from any corporation that receives funds under this chapter;

(8) enter into leases under IC 36-1-10 for the construction, acquisition, and equipping of a visitor center; and

(9) exercise the power of eminent domain to acquire property to

promote and encourage conventions, trade shows, special events, recreation, and visitors within the county.

(b) All expenses of the bureau shall be paid from funds established by the bureau. Before December 20 of each year, the bureau shall prepare a budget for expenditures during the following year, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6) A budget prepared under this section must be:

(1) submitted to the department of local government finance;

(2) published on the department's interactive and searchable Internet web site containing local government information (the Indiana gateway for governmental units); and

(3) placed on file with the county auditor.

(c) All money in the bureau's funds shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the bureau's funds are subject to audit and supervision by the state board of accounts.

As added by Acts 1982, P.L.67, SEC.4. Amended by P.L.46-1998, SEC.1; P.L.168-2005, SEC.3; P.L.223-2007, SEC.8; P.L.172-2011, SEC.93; P.L.190-2014, SEC.27.

IC 6-9-2-4.3

Convention, tourism, and visitor promotion alternate revenue fund

Sec. 4.3. (a) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion alternate revenue fund (referred to in this chapter as the "alternate revenue fund"). The bureau may deposit in the alternate revenue fund all money received by the bureau after June 30, 2005, that is not required to be deposited in the promotion fund under section 2 of this chapter or a fund established by the bureau, including appropriations, gifts, grants, membership dues, and contributions from any public or private source.

(b) The bureau may, without appropriation by the county council, expend money from the alternate revenue fund to promote and encourage conventions, trade shows, visitors, special events, sporting events, and exhibitions in the county. Money may be paid from the alternate revenue fund by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) All money in the alternate revenue fund shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the alternate revenue fund is subject to audit and supervision by the state board of accounts.

(d) Money derived from the taxes imposed under IC 4-33-12 and IC 4-33-13 may not be transferred to the alternate revenue fund.

As added by P.L.168-2005, SEC.4. Amended by P.L.172-2011, SEC.94.

IC 6-9-2-4.5

Visitor center funding; allocation from promotion fund and alternate revenue fund

Sec. 4.5. The bureau may enter into an agreement under which amounts deposited in, or to be deposited in, the promotion fund or the alternate revenue fund, or both, are pledged to payment of obligations, including leases entered into under IC 36-1-10, issued to finance the construction, acquisition, and equipping of a visitor center to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county.

As added by P.L.46-1998, SEC.2. Amended by P.L.168-2005, SEC.5.

IC 6-9-2-4.7

Issuance of bonds; negotiation and sale; leases

Sec. 4.7. (a) The bureau may issue bonds, enter into leases, or incur other obligations to:

(1) pay the costs incurred in the financing, construction, acquisition, and equipping of a visitor center to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county;

(2) reimburse itself or any nonprofit corporation for any money advanced to pay those costs; or

(3) refund bonds issued or other obligations incurred under this chapter.

(b) Bonds issued or obligations incurred under this section:

(1) are payable solely from the money provided in this chapter;

(2) may, in the discretion of the bureau, be sold at a negotiated sale or under IC 5-1-11 and IC 5-3-1; and

(3) must be authorized by a resolution of the bureau.

(c) Leases entered into under this section:

(1) may be for a term not to exceed fifty (50) years;

(2) may provide for payments from revenues under this chapter, any other revenues available to the bureau, or any combination of these sources;

(3) may provide that payments by the bureau to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;

(4) must be based upon the value of the facilities leased; and

(5) may not create a debt of the county for purposes of the Constitution of the State of Indiana.

(d) A lease may be entered into by the bureau only after a public hearing:

(1) for which notice has been given in accordance with IC 5-3-1; and

(2) at which all interested parties are provided the opportunity to be heard.

(e) After the public hearing, the bureau may approve the execution of the lease only if the bureau finds that the services to be provided throughout the life of the lease will serve the public purposes for which the bureau was created and that the execution of the lease is in

the best interests of the residents of the county.

(f) Upon execution of a lease under this section, the bureau shall publish notice of the execution of the lease in accordance with IC 5-3-1.

(g) An action to contest the validity of bonds issued or leases entered into under this section must be brought within thirty (30) days after the adoption of a bond resolution or notice of the execution and approval of the lease, as the case may be.

As added by P.L.46-1998, SEC.3.

IC 6-9-2-4.9

State covenant on bond payments

Sec. 4.9. With respect to:

(1) bonds, leases, or other obligations to which the bureau has pledged revenues under this chapter; and

(2) bonds issued by a lessor that are payable from lease rentals;

the general assembly covenants with the bureau and the purchasers or owners of the bonds or other obligations described in this section that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter or the money deposited in the promotion fund or the alternate revenue fund as long as the principal of or interest on any bonds, or the lease rentals due under any lease, are unpaid.

As added by P.L.46-1998, SEC.4. Amended by P.L.168-2005, SEC.6.

IC 6-9-2-5

Violations

Sec. 5. (a) A member of the convention and visitor bureau created under section 3 of this chapter who knowingly:

(1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Level 6 felony.

As added by Acts 1982, P.L.67, SEC.5. Amended by P.L.96-1983, SEC.4; P.L.158-2013, SEC.106.

IC 6-9-2-5.5

Public purpose of visitor center

Sec. 5.5. The financing of the construction, acquisition, and equipping of a visitor center to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county serves a public purpose and is of benefit to the general welfare of the county by encouraging investment, job creation and retention, and economic growth and diversity.

As added by P.L.46-1998, SEC.5.

IC 6-9-2-6

Repealed

(Repealed by P.L.108-1987, SEC.18.)

IC 6-9-2-7

Repealed

(Repealed by P.L.27-1992, SEC.31.)

IC 6-9-2-8

Repealed

(Repealed by P.L.27-1992, SEC.31.)

IC 6-9-2-9

Annual report regarding disposition of money collected; remedies for failure to provide legislative body with sufficient information; resolution

Sec. 9. (a) The legislative body of a county that imposes a tax under section 1 of this chapter shall annually prepare a report concerning the disbursement and use of the money collected under this chapter during the preceding calendar year. The report shall be prepared before April 15 each year and shall be made available to the public.

(b) If in any year an entity receiving money under this chapter fails to provide the county legislative body with sufficient information, as reasonably requested by the county legislative body:

(1) for the county legislative body to comply with this section; and

(2) before the date specified by the county legislative body;

the county legislative body may direct the county treasurer by resolution to stop deposits and transfers under this chapter to the entity. When an entity provides the information that is the subject of the resolution, the county legislative body shall as soon as practicable direct the county treasurer, by resolution, to resume making deposits and transfers to the entity, including any deposits and transfers that would otherwise have been made to the entity during the time that deposits and transfers were stopped under this subsection. A copy of a resolution adopted under this subsection must be distributed to the county treasurer and the entity that is the subject of the resolution within ten (10) business days after the resolution is adopted. The county treasurer shall comply with a resolution adopted under this subsection.

As added by P.L.27-1992, SEC.8. Amended by P.L.102-1995, SEC.2; P.L.223-2007, SEC.9; P.L.172-2011, SEC.95.

IC 6-9-2-10

Insurance benefits for convention and visitors bureau employees

Sec. 10. Employees of the convention and visitor bureau created by section 3 of this chapter may participate in the group health insurance, disability insurance, and life insurance programs established:

(1) by the county government of the county described in section

1 of this chapter; and

(2) for the employees of the convention and visitor bureau.

As added by P.L.168-2005, SEC.7.

IC 6-9-2-10.3

Legalization of certain actions relating to insurance benefits taken before May 6, 2005

Sec. 10.3. Actions taken before May 6, 2005, that would have been valid under section 10 of this chapter, as added by P.L.168-2005, are legalized and validated.

As added by P.L.220-2011, SEC.165.

IC 6-9-2-11

Bureau treated as a political subdivision for certain purposes

Sec. 11. The bureau created under section 3 of this chapter is a political subdivision for purposes of IC 34-13-3.

As added by P.L.223-2007, SEC.10.

IC 6-9-2.5

Chapter 2.5. Vanderburgh County Innkeeper's Tax

IC 6-9-2.5-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred seventy-five thousand (175,000) but less than one hundred eighty-five thousand (185,000).

As added by Acts 1976, P.L.22, SEC.1. Amended by P.L.12-1992, SEC.34; P.L.170-2002, SEC.31; P.L.119-2012, SEC.57.

IC 6-9-2.5-2

Convention and visitor commission; creation

Sec. 2. (a) There is created a seven (7) member convention and visitor commission (referred to as the "commission" in this chapter), whose purpose it is to promote the development and growth of the convention and visitor industry in said county.

(b) The county council, by majority vote, shall appoint two (2) members of the commission, at least one (1) of whom must be engaged in the hotel or motel business in the county. The county commissioners, by majority vote, shall appoint two (2) members of the commission, at least one (1) of whom must be engaged in the hotel or motel business in the county. The mayor of a municipality in the county that has the largest population, as determined in the federal decennial census, shall appoint three (3) members of the commission. At least one (1) of the members appointed by the mayor must be engaged in the hotel or motel business in the county. Beginning with the next appointment available to the mayor after a riverboat (as defined in IC 4-33-2-17) initially begins operation from the county, at least one (1) of the members appointed by the mayor must represent the interests of riverboats in the county.

(c) All terms of office begin on January 1 and end on December 31. Members of the commission appointed by the county council serve two (2) year terms. Members appointed by the county commissioners serve one (1) year terms. Members appointed by the mayor of the largest municipality in the county serve two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A member of the commission may be removed for cause by his appointing authority.

(e) Members of the commission may not receive a salary. However, commission members shall receive reimbursement for necessary expenses, but only when such necessary expenses are incurred in the performance of their respective duties.

As added by Acts 1976, P.L.22, SEC.1. Amended by P.L.97-1983, SEC.7; P.L.49-1994, SEC.4.

IC 6-9-2.5-3

Powers and duties of commission

Sec. 3. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the commission deems necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations described in section 7 of this chapter;

(6) transfer money received under this chapter for the purposes specified in sections 7 and 7.5 of this chapter; and

(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) A majority of the commission shall constitute a quorum for the transaction of business and the concurrence of a majority of those present shall be necessary to authorize any action.

As added by Acts 1976, P.L.22, SEC.1. Amended by P.L.49-1994, SEC.5.

IC 6-9-2.5-4

Expenses of commission; budget; expenditures

Sec. 4. All expenses of the commission shall be paid from the fund established in section 7 of this chapter. The commission shall annually prepare a budget. The budget for expenditures under section 7 of this chapter must take into consideration the recommendations made by a nonprofit corporation qualifying under section 7 of this chapter. The commission shall submit the budget to the county council for its review and approval. No expenditure shall be made unless:

(1) it is pursuant to an appropriation made by the county council in the manner provided by law; and

(2) if the expenditure is payable from the tourism capital improvement fund, the specific project for which the expenditure will be made has been:

(A) recommended to the county council by the commission; and

(B) approved by the county council.

As added by Acts 1976, P.L.22, SEC.1. Amended by P.L.49-1994, SEC.6.

IC 6-9-2.5-5

Report by not-for-profit corporations receiving funds required

Sec. 5. Any not-for-profit corporation that receives funds under this chapter shall make a financial or other report upon request of the commission.

As added by Acts 1976, P.L.22, SEC.1.

IC 6-9-2.5-6
Tax on lodgings authorized; rate; collection

Sec. 6. (a) The county council may levy tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin located in a county described in section 1 of this chapter. Such tax shall not exceed the rate of eight percent (8%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on such persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule or regulation, determine.

(d) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

As added by Acts 1976, P.L.22, SEC.1. Amended by Acts 1979, P.L.82, SEC.2; P.L.97-1983, SEC.8; P.L.108-1987, SEC.3; P.L.49-1994, SEC.7; P.L.67-1997, SEC.3; P.L.178-2002, SEC.74; P.L.224-2007, SEC.93.

IC 6-9-2.5-7
Convention and visitor promotion fund

Sec. 7. (a) The county treasurer shall establish a convention and visitor promotion fund.

(b) The county treasurer shall deposit in the convention and visitor

promotion fund the amount of money received under section 6 of this chapter that is generated by a two and one-half percent (2.5%) rate.

(c) Money in this fund shall be expended only as provided in this chapter.

(d) The commission may transfer money in the convention and visitor promotion fund to any Indiana nonprofit corporation for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section.

As added by Acts 1976, P.L.22, SEC.1. Amended by P.L.49-1994, SEC.8; P.L.208-1999, SEC.1; P.L.178-2002, SEC.75; P.L.168-2005, SEC.8.

IC 6-9-2.5-7.5

Tourism capital improvement fund

Sec. 7.5. (a) The county treasurer shall establish a tourism capital improvement fund.

(b) The county treasurer shall deposit money in the tourism capital improvement fund as follows:

(1) Before January 1, 2020, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a three and one-half percent (3.5%) rate.

(2) After December 31, 2019, the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a four and one-half percent (4.5%) rate.

(c) The commission may transfer money in the tourism capital improvement fund to:

(1) the county government, a city government, or a separate body corporate and politic in a county described in section 1 of this chapter; or

(2) any Indiana nonprofit corporation;

for the purpose of making capital improvements in the county that promote conventions, tourism, or recreation. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section.

As added by P.L.49-1994, SEC.9. Amended by P.L.208-1999, SEC.2; P.L.178-2002, SEC.76; P.L.168-2005, SEC.9; P.L.224-2007, SEC.94; P.L.176-2009, SEC.6; P.L.190-2014, SEC.28.

IC 6-9-2.5-7.7

Convention center operating fund

Sec. 7.7. (a) The county treasurer shall establish a convention center operating fund.

(b) Before January 1, 2020, the county treasurer shall deposit in the convention center operating fund the amount of money received

under section 6 of this chapter that is generated by a two percent (2%) rate. Money in the fund must be expended for the operating expenses of a convention center.

(c) After December 31, 2019, the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a one percent (1%) rate. Money in the fund must be expended for the operating expenses of a convention center with the unused balance transferred on January 1 of each year to the tourism capital improvement fund.

As added by P.L.208-1999, SEC.3. Amended by P.L.168-2005, SEC.10; P.L.176-2009, SEC.7; P.L.190-2014, SEC.29.

IC 6-9-2.5-8

Unauthorized transfer and use of funds; offenses

Sec. 8. (a) A member of the commission who knowingly:

(1) approves the transfer of funds to any person not qualified under this chapter for such a transfer; or

(2) approves a transfer for a purpose not permitted under this chapter;

commits a Level 6 felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses those funds for any purpose other than a proposal approved by the commission commits a Level 6 felony.

As added by Acts 1976, P.L.22, SEC.1. Amended by Acts 1978, P.L.2, SEC.653; P.L.158-2013, SEC.107.

IC 6-9-2.5-9

Buildings for public use

Sec. 9. (a) This section applies to any building:

(1) constructed or remodeled with money from:

(A) the tourism capital improvement fund; or

(B) the convention and visitor promotion fund; and

(2) used by the county convention and visitor commission.

(b) A structure must be open for use by the members of the public for public or private events, including catered events, under uniform and nondiscriminatory policies established by the commission.

As added by P.L.208-1999, SEC.4.

IC 6-9-3

Chapter 3. Floyd/Clark County Innkeeper's Tax

IC 6-9-3-1

Special funds board of managers; creation; members; appointment; terms

Sec. 1. (a) This chapter applies to the following counties:

(1) Clark County.

(2) Floyd County.

(b) In these counties, there is created a special funds board of managers. As used in this chapter, the term "board of managers" means a special funds board of managers.

(c) Beginning January 15, 2012, the board of managers is composed of thirteen (13) members as follows:

(1) Three (3) members appointed by the executive of the city of New Albany, including at least two (2) members who are:

(A) engaged in a convention, visitor, or tourism business; or

(B) involved in or promoting conventions, visitors, or tourism.

(2) Three (3) members appointed by the executive of the city of Jeffersonville, including at least two (2) members who are:

(A) engaged in a convention, visitor, or tourism business; or

(B) involved in or promoting conventions, visitors, or tourism.

(3) Two (2) members appointed by the legislative body of the town of Clarksville, including at least one (1) member who is:

(A) engaged in a convention, visitor, or tourism business; or

(B) involved in or promoting conventions, visitors, or tourism.

(4) Two (2) members appointed by the executive of Floyd County, including at least one (1) member who is:

(A) engaged in a convention, visitor, or tourism business; or

(B) involved in or promoting conventions, visitors, or tourism.

(5) Three (3) members appointed by the executive of Clark County, including at least two (2) members who are:

(A) engaged in a convention, visitor, or tourism business; or

(B) involved in or promoting conventions, visitors, or tourism.

(d) The terms of office for the members of the board of managers are for two (2) years and end as follows:

(1) For each of the following members, the term of office ends on January 15 of each odd-numbered year:

(A) One (1) member appointed by the executive of Floyd County.

(B) One (1) member appointed by the executive of Clark County.

(C) One (1) member appointed by each of the city executives referred to in this section.

(2) For all other members, the terms of office end on January 15

of each even-numbered year.

The term of the second member appointed under subsection (c)(4) by the executive of Floyd County begins January 15, 2012.

(e) At the end of the term of a member of the board of managers, the person or body making the original appointment may reappoint a person whose term has expired or appoint a new member for a two (2) year term. If a vacancy occurs in the board of managers during a term, a successor for the vacancy shall be appointed by the person or body making the original appointment, and the successor shall serve for the remainder of the vacated term.

(f) A member of the board of managers may be removed for cause by the person or body making the original appointment.

(g) The following apply to the board of managers appointed under this section:

(1) If an entity is authorized to appoint three (3) members, not more than two (2) of the members appointed by the entity may belong to the same political party.

(2) If an entity is authorized to appoint two (2) members, the members appointed by the entity must belong to different political parties.

(h) Each member of the board of managers, before entering upon the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment, which shall be promptly filed with the clerk of the circuit court of the member's county of residence.

(i) A person may not be appointed as a member who has not been a resident of one (1) of the two (2) counties for a period of two (2) years immediately preceding the person's appointment.

(j) A member may receive no salary but is entitled to reimbursement for any expenses necessarily incurred in the performance of the member's duties.

As added by Acts 1976, P.L.23, SEC.1. Amended by Acts 1977, P.L.92, SEC.1; Acts 1982, P.L.1, SEC.9; P.L.55-1984, SEC.1; P.L.81-1985, SEC.1; P.L.8-1989, SEC.32; P.L.101-1989, SEC.1; P.L.1-1990, SEC.86; P.L.12-1992, SEC.35; P.L.170-2002, SEC.32; P.L.172-2011, SEC.96.

IC 6-9-3-2

Organizational meeting; election of officers; bylaws, rules, and regulations; quorum

Sec. 2. Promptly after the fifteenth day of January of each year, the board of managers shall hold a meeting for the purpose of organization. They shall choose one (1) of their members president, another vice-president, another secretary and another treasurer, who shall perform the duties pertaining to those offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. The members shall be authorized to adopt such bylaws and rules and regulations as they deem necessary for the proper conduct of their proceedings, the carrying out of their duties and the safeguarding of the funds and the property

entrusted to their care. A majority of the board of managers constitutes a quorum, and the concurrence of a majority of the board of managers is necessary to authorize any action.
As added by Acts 1976, P.L.23, SEC.1.

IC 6-9-3-2.5
Open door law; public records act

Sec. 2.5. Except as otherwise specifically provided by law, the board of managers is subject to IC 5-14-1.5 and IC 5-14-3.
As added by P.L.172-2011, SEC.97.

IC 6-9-3-3
Handling and expenditure of funds; audit

Sec. 3. All funds coming into possession of the board of managers shall be deposited, held, secured or invested and paid in accordance with the general laws of the state relating to the handling of public funds. The handling and expenditure of funds coming into possession of the board of managers is subject to audit and supervision by the state board of accounts.
As added by Acts 1976, P.L.23, SEC.1.

IC 6-9-3-3.5
Financial report; summary of board's activities

Sec. 3.5. (a) Before January 1 of each year, the board of managers shall annually publish a financial report summarizing the income and expenses of the board of managers for the previous twelve (12) months.

(b) The report required by subsection (a) must be published two (2) times, one (1) week apart, in a daily or weekly newspaper published in the English language and of general circulation in both Clark County and Floyd County.

(c) Before January 1 of each year, the board of managers shall prepare a written report generally summarizing the board's activities for the previous twelve (12) months. The report shall be made available on an Internet web site maintained by the board of managers.
As added by P.L.172-2011, SEC.98.

IC 6-9-3-4
Innkeeper's tax imposed; collection

Sec. 4. (a) In counties to which this chapter applies, there shall be levied each year a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms or lodgings or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin. However, this tax does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

(b) Such tax shall be at the rate of four percent (4%) on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed on such persons by

IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" shall have the same meaning in this section as they have in IC 6-2.5.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

As added by Acts 1976, P.L.23, SEC.1. Amended by Acts 1977, P.L.92, SEC.2; Acts 1979, P.L.82, SEC.3; P.L.55-1984, SEC.2; P.L.108-1987, SEC.4; P.L.84-1993, SEC.1; P.L.67-1997, SEC.4.

IC 6-9-3-5

Disposition of tax revenues

Sec. 5. (a) Seventy-five percent (75%) of the tax revenues received by the county treasurer as provided in section 4 of this chapter shall be deposited in the convention and exhibition center fund, which fund shall be expended by the board of managers to develop and promote a program to attract conventions and exhibitions.

(b) The county treasurer shall deposit twenty-five percent (25%) of the tax revenues he receives under section 4 of this chapter in a separate fund to be known as the capital development tourism fund. The board of managers may use money in the capital development tourism fund only to pay the principal and interest due on bonds issued by:

(1) one (1) of the counties described in section 1 of this chapter; or

(2) a political subdivision, as defined in IC 36-1-2-13, located in one (1) of those counties;

to finance a project to promote tourism or to refund bonds previously

issued for such a purpose.
As added by Acts 1976, P.L.23, SEC.1. Amended by P.L.55-1984, SEC.3.

IC 6-9-3-6
Capital development tourism fund; pledge of deposit to payment of bonds; covenant of general assembly with purchasers of bonds

Sec. 6. (a) The board of managers may enter into an agreement under which any amounts previously deposited in, or to be deposited in, the capital development tourism fund are pledged to payment of bonds described in section 5(b) of this chapter.

(b) With respect to bonds described in section 5(b) of this chapter for which a pledge has been made under subsection (a), the Indiana general assembly covenants with the purchasers of those bonds that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of that portion of the tax imposed by this chapter that is dedicated to the capital development tourism fund;

(2) this chapter will not be amended in any manner that will reduce the amount of tax revenues dedicated to the capital development tourism fund; and

(3) this chapter will not be amended in any manner that will change the purpose for which money dedicated to the capital development tourism fund may be used;

as long as the principal of, or interest on, any of those bonds is unpaid.
As added by P.L.55-1984, SEC.4.

IC 6-9-3-7
Failure to pay tax

Sec. 7. If a person fails to pay any tax imposed by section 4 of this chapter within thirty (30) days after the date payment of the tax is due, the department of state revenue shall, under IC 6-8.1-8-2:

(1) issue a demand notice to the person; and

(2) issue a tax warrant to the appropriate county sheriff and secure a judgment lien on the person's property, if the person does not respond to the demand notice in a satisfactory manner.

As added by P.L.81-1985, SEC.2.

IC 6-9-3-8
Reports by entities receiving funds

Sec. 8. Any entity that receives funds under this chapter shall make a financial or other report upon request of the board of managers.
As added by P.L.172-2011, SEC.99.

IC 6-9-4

Chapter 4. Monroe County Innkeeper's Tax

IC 6-9-4-0.3

Legalization of pledges and mortgages of revenues before March 5, 1988

Sec. 0.3. A pledge or mortgage of innkeeper's tax revenues or property made before March 5, 1988, by Monroe County or the Monroe County convention and visitor commission to secure any obligations of the county is legalized and validated.

As added by P.L.220-2011, SEC.166.

IC 6-9-4-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred thirty-five thousand (135,000) but less than one hundred thirty-eight thousand (138,000).

As added by Acts 1977, P.L.92, SEC.3. Amended by Acts 1982, P.L.1, SEC.10; P.L.12-1992, SEC.36; P.L.170-2002, SEC.33; P.L.119-2012, SEC.58.

IC 6-9-4-2

Convention and visitor commission; creation; membership

Sec. 2. (a) There is created a five (5) member convention and visitor commission (referred to as the "commission" in this chapter), whose purpose it is to promote the development and growth of the convention and visitor industry in the county.

(b) The county council, by majority vote, shall appoint three (3) members of the commission. Two (2) members must be owners or general managers of a hotel or motel having at least forty (40) beds that is located in the county.

(c) The county commissioners, by majority vote, shall appoint two (2) members of the commission. One (1) member must be an owner or general manager of a hotel or motel having at least forty (40) beds that is located in the county. One (1) member must be the director or associate director of the Indiana University Memorial Union.

(d) All terms of office begin on January 1 and end on December 31. Members of the commission appointed by the county council serve two (2) year terms, and members appointed by the county commissioners serve one (1) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, a person shall be appointed by the original appointing authority to serve for the remainder of the term.

(e) A member of the commission may be removed for cause by his appointing authority.

(f) Members of the commission may not receive a salary. However, commission members shall receive reimbursement for necessary expenses, but only when the necessary expenses are incurred in the performance of their respective duties.

As added by Acts 1977, P.L.92, SEC.3. Amended by P.L.62-1990,

SEC.1; P.L.85-1995, SEC.34.

IC 6-9-4-3
Powers and duties of commission

Sec. 3. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the commission deems necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by not-for-profit corporations or political subdivisions; and

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from any funds available under section 7 of this chapter for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events, and for the financing of facilities to be used by the commission for those purposes.

(b) The commission and the county jointly, by resolution of the commission and ordinance of the county council, may:

(1) mortgage, pledge, or lease property owned by the county for the purposes of this chapter;

(2) pledge tax revenues received under this chapter to finance facilities to be used by the commission or by the not-for-profit corporation with which it contracts to transfer funds, for the purposes set forth in subsection (a)(6); and

(3) require financial or other reports from any corporation that receives funds under this chapter.

(c) The commission may pledge tax revenues received under this chapter to finance facilities to be used by the commission or by the not-for-profit corporation with which it contracts to transfer funds, for the purposes set forth in subsection (a)(6).

(d) A majority of the commission shall constitute a quorum for the transaction of business, and the concurrence of a majority of those present shall be necessary to authorize any action.

As added by Acts 1977, P.L.92, SEC.3. Amended by P.L.75-1988, SEC.1.

IC 6-9-4-4
Expenses of commission; budget; expenditures

Sec. 4. All expenses of the commission shall be paid from the fund established in section 7 of this chapter. The commission shall annually prepare a budget taking into consideration the recommendations made by a not-for-profit corporation qualifying under section 3 of this chapter and shall submit it to the county council for its review and approval. No expenditure shall be made unless it is pursuant to an appropriation made by the county council

in the manner provided by law.
As added by Acts 1977, P.L.92, SEC.3.

IC 6-9-4-5
Reports by not-for-profit corporations receiving funds

Sec. 5. Any not-for-profit corporation that receives funds under this chapter shall make a financial or other report upon request of the commission.
As added by Acts 1977, P.L.92, SEC.3.

IC 6-9-4-6
Tax on lodgings authorized; collection

Sec. 6. (a) The county council may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist cabin, university memorial union, or university residence hall, except state camping facilities, located in the county. The tax shall be imposed at the rate of at least three percent (3%) but not more than five percent (5%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5. The tax does not apply to a retail transaction in which a student rents lodging in a university memorial union or residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5, except that "person" shall not include state supported educational institutions. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer

of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

As added by Acts 1977, P.L.92, SEC.3. Amended by Acts 1979, P.L.82, SEC.4; P.L.19-1986, SEC.21; P.L.108-1987, SEC.5; P.L.62-1990, SEC.2; P.L.67-1997, SEC.5.

IC 6-9-4-7

Innkeeper's tax fund; expenditures

Sec. 7. (a) The county treasurer shall establish an innkeeper's tax fund. The treasurer shall deposit in the fund all money the treasurer receives under section 6 of this chapter.

(b) Money in the fund shall be expended in the following order:

(1) To service:

(A) bonds issued by the county under IC 36-2-6-18 through IC 36-2-6-20; or

(B) other debt incurred by the commission or the not-for-profit corporation with which the commission contracts to transfer funds;

if the bonds or other debt are issued for the purposes set forth in section 3(a)(6) of this chapter and are payable in whole or in part from money derived from the innkeeper's tax.

(2) To fund or maintain a debt service reserve for bonds or debt described in subdivision (1).

(3) To pay the commission's operating expenses and its other expenses in carrying out the purposes set forth in section 3(a)(6) of this chapter.

(c) The county auditor shall make a semiannual distribution, at the time property tax revenue is distributed, to the paying agent for any bonds described in subsection (b)(1). Each semiannual distribution must be equal to one-half (1/2) of the annual principal and interest obligations on the bonds. Money received by a paying agent under this subsection shall be deposited in a special fund to be used to service the bonds.

As added by Acts 1977, P.L.92, SEC.3. Amended by P.L.75-1988, SEC.2; P.L.3-1989, SEC.43.

IC 6-9-4-8

Unauthorized transfer and use of funds; offenses

Sec. 8. (a) A member of the commission who knowingly approves the transfer of funds to any person not qualified under this chapter for such a transfer, or approves a transfer for a purpose not permitted under this chapter, commits a Level 6 felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses the funds for any purpose other than a proposal approved by the commission commits a Level 6 felony.

As added by Acts 1977, P.L.92, SEC.3. Amended by Acts 1978, P.L.2, SEC.654; P.L.158-2013, SEC.108.

IC 6-9-4-9

Bonds or debts; adverse legislation; covenant

Sec. 9. With respect to bonds or debt for which a pledge of tax revenues has been made under section 3 of this chapter, the general assembly covenants with the commission, the county, the purchasers of those bonds, and the lenders to a not-for-profit corporation under this chapter that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed by this chapter or the rights of lenders or bond purchasers; and

(2) this chapter will not be amended in any manner that will change the purpose for which revenues from the tax imposed by this chapter may be used;

as long as the principal of, or interest on, any of the bonds or debt is unpaid.

As added by P.L.75-1988, SEC.3.

IC 6-9-5
Repealed

(Repealed by P.L.77-2003, SEC.1.)

IC 6-9-6

Chapter 6. LaPorte County Innkeeper's Tax

IC 6-9-6-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000).

As added by Acts 1978, P.L.49, SEC.1. Amended by Acts 1982, P.L.1, SEC.12; P.L.12-1992, SEC.38; P.L.170-2002, SEC.35; P.L.119-2012, SEC.59.

IC 6-9-6-2

Special funds board of managers; creation

Sec. 2. (a) There is created a nine (9) member special funds board of managers (referred to as the "board of managers" in this chapter) whose purpose is to promote the development and growth of the convention and visitor industry in the county.

(b) The mayor of the second class city shall appoint three (3) individuals to serve as members of the board of managers. One (1) of those appointees shall be a representative of the city's business community, and no more than two (2) of those appointees may be members of the same political party. The mayor of the third class city shall appoint three (3) individuals to serve as members of the board of managers. One (1) of those appointees shall be a representative of the city's business community, and no more than two (2) of the appointees may be members of the same political party. The county commissioners shall appoint three (3) individuals to serve as members of the board of managers. No more than two (2) of the appointees may be members of the same political party. All individuals appointed to the board of managers must have been residents of the county for at least two (2) years immediately prior to their appointment.

(c) All terms of membership begin on January 15 and continue for two (2) years until a successor is appointed. A member whose term expires may be reappointed to serve another term. If a vacancy occurs in the board of managers, the original appointing officer or authority shall appoint a replacement to serve the remainder of the two (2) year term.

(d) A member of the board of managers may be removed for cause by the appointing officer or authority.

(e) Each member of the board of managers shall, before beginning the duties of the office, take an oath of office to be endorsed upon the member's certificate of appointment, which certificate shall be filed with the clerk of the circuit court of the county.

(f) Members of the board of managers may not receive a salary, but are entitled to reimbursement for expenses necessarily incurred in the performance of their duties.

As added by Acts 1978, P.L.49, SEC.1. Amended by P.L.109-1987, SEC.1.

IC 6-9-6-3
Meetings; officers; rules; quorum

Sec. 3. Promptly after the fifteenth day of January of each year, the board of managers shall hold a meeting for the purpose of organization. They shall choose one (1) of their members president, another vice-president, another secretary and another treasurer, which officers shall perform the duties pertaining to those offices. The officers shall serve from the date of their election until their successors are elected and qualified. The members may adopt such bylaws, rules and regulations as they deem necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the funds and the property entrusted to their care. A majority of the board of managers constitutes a quorum, and the concurrence of a majority of the board of managers is necessary to authorize any action.

As added by Acts of 1978, P.L.49, SEC.1.

IC 6-9-6-4
Funds; deposit; audit

Sec. 4. All funds coming into possession of the board of managers shall be deposited, held, secured, invested, and paid in accordance with the general laws of the state relating to the handling of public funds. The handling and expenditure of funds coming into possession of the board of managers are subject to audit and supervision by the state board of accounts.

As added by Acts 1978, P.L.49, SEC.1.

IC 6-9-6-5
Powers of board

Sec. 5. The board of managers may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the board of managers deems necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under clause (6) of this section;

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established in section 7 of this chapter, to any Indiana not-for-profit corporation for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events; and

(7) require financial or other reports from any corporation that receives funds under this chapter.

As added by Acts 1978, P.L.49, SEC.1.

IC 6-9-6-6

Tax on lodgings; collection

Sec. 6. (a) In any county to which this chapter applies, there is levied a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings or accommodations in any commercial hotel, motel, boat motel, inn, tourist camp, or tourist cabin, except state camping facilities, located in the county. The tax shall be imposed at a rate of five percent (5%) on the gross income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, the terms "person" and "gross income" have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(d) If the tax is paid to the department of state revenue, all amounts received by the state department of revenue from the tax during a month shall be paid to the county treasurer on or before the last day of the next succeeding month. All amounts received from the tax shall be paid by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

As added by Acts 1978, P.L.49, SEC.1. Amended by Acts 1979, P.L.82, SEC.6; Acts 1982, P.L.1, SEC.13; P.L.56-1984, SEC.1; P.L.108-1987, SEC.7; P.L.67-1997, SEC.7.

IC 6-9-6-7

Convention, tourism, and recreation fund

Sec. 7. The tax revenues received by the county treasurer as provided in section 6 of this chapter shall be deposited in the convention, tourism and recreation fund, which fund may be used by the board of managers to finance, construct, equip, operate, promote and maintain any capital improvement in the nature of a convention

and exhibition center, or any tourism or recreational program, to renovate, equip, operate and maintain any existing structure which may be used as a convention and exhibition center, or to make transfers described in clause (6) of section 5 of this chapter. No funds may be allocated to maintain recreational facilities in either the city of the second class or the city of the third class in the county if those facilities were in existence on January 1, 1979.
As added by Acts 1978, P.L.49, SEC.1.

IC 6-9-6-8
Transfer and use of funds restricted; offense

Sec. 8. Any person or officer or employee of a corporation who receives a transfer of funds under this chapter and who uses the funds for any purpose other than a proposal approved by the commission commits a Level 6 felony.
As added by Acts 1978, P.L.49, SEC.1. Amended by P.L.158-2013, SEC.109.

IC 6-9-7

Chapter 7. Tippecanoe County Innkeeper's Tax

IC 6-9-7-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred seventy thousand (170,000) but less than one hundred seventy-five thousand (175,000).

As added by Acts 1978, P.L.50, SEC.1. Amended by Acts 1982, P.L.1, SEC.14; P.L.12-1992, SEC.39; P.L.170-2002, SEC.36; P.L.119-2012, SEC.60.

IC 6-9-7-2

Convention and visitor commission; creation

Sec. 2. (a) There is created a ten (10) member convention and visitor commission (referred to as the "commission" in this chapter) whose purpose is to promote the development and growth of the convention and visitor industry in the county.

(b) The county council shall, by majority vote, appoint three (3) members of the commission, at least one (1) of whom must be engaged in the hotel or motel business in the county, at least one (1) of whom must be a representative of the travel or visitor industry in the county, and at least one (1) of whom must be a member of the county council. The county commissioners shall, by majority vote, appoint three (3) members of the commission, at least one (1) of whom must be engaged in the hotel or motel business in the county, at least one (1) of whom must be a county commissioner, and at least one (1) of whom must be a representative of the county's business community which representative may be an executive officer of the chamber of commerce of the county's largest city. The members appointed by the council and the commissioners shall, by a majority vote, appoint one (1) member of the commission from the Purdue conferences department. The executive of the city with the greatest population in the county shall appoint two (2) members of the commission, one (1) who must be a representative of the economic development community and one (1) who must be a representative of the travel or visitor industry in the county. The executive of the city with the second greatest population in the county shall appoint one (1) member of the commission, who must be a representative of the travel or visitor industry.

(c) All terms of office begin on January 1 and end on December 31. Members of the commission appointed by the county council serve two (2) year terms, and members appointed by the county commissioners or by the other members of the commission serve one (1) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A member of the commission may be removed for cause by his appointing authority.

(e) Members of the commission may not receive a salary. However, commission members shall receive reimbursement for necessary expenses, but only when those necessary expenses are incurred in the performance of their respective duties. In addition, commission members may receive a maximum of thirty-five dollars ($35) per diem expenses for attendance at the official commission meetings.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.85-1993, SEC.1.

IC 6-9-7-3

Powers and duties of commission

Sec. 3. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the commission deems necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements, including contracts and agreements not to exceed ten (10) years;

(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by any nonprofit corporations or political subdivisions;

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from any available funds of the commission under section 7 of this chapter for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events; and

(7) require financial or other reports from any entity that receives funds under this chapter.

(b) A majority of the commission constitutes a quorum for the transaction of business, and the concurrence of a majority of those present is necessary to authorize any action. However, the commission shall not transact any business without first giving written notice to the director of the county parks and recreation board at least forty-eight (48) hours in advance of the convening of a meeting at which business is to be transacted.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986, SEC.1; P.L.85-1993, SEC.2; P.L.96-2008, SEC.1.

IC 6-9-7-4

Expenses of commission; budget; expenditures

Sec. 4. All expenses of the commission shall be paid from the fund established in section 7 of this chapter. The commission shall annually prepare a budget and submit it to the county council for its review and approval. No expenditure under this chapter may be made unless it is pursuant to an appropriation made by the county council in the manner provided by law.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986,

SEC.2.

IC 6-9-7-5
Report by entity receiving funds

Sec. 5. Any entity that receives funds under this chapter shall make a financial or other report upon request of the commission.
As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986, SEC.3.

IC 6-9-7-6
Tax on lodgings authorized; collection

Sec. 6. (a) The county council may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, university memorial union, university residence hall, tourist camp, or tourist cabin located in a county described in section 1 of this chapter. The county treasurer shall allocate and distribute the tax revenues as provided in sections 7 and 9 of this chapter.

(b) The tax may not exceed the rate of six percent (6%) on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed under IC 6-2.5.

(c) The tax does not apply to gross retail income received in a transaction in which:

(1) a student rents lodgings in a university residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county; or

(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the

amounts received from the tax imposed under this section shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

As added by Acts 1978, P.L.50, SEC.1. Amended by Acts 1979, P.L.82, SEC.7; P.L.97-1983, SEC.4; P.L.74-1986, SEC.4; P.L.108-1987, SEC.8; P.L.85-1993, SEC.3; P.L.67-1997, SEC.8; P.L.214-2005, SEC.26.

IC 6-9-7-7

Innkeeper's tax fund; expenditures; advisory commission; bonding

Revisor's Note: See IC 1-1-3.5-8 concerning the effective date of this section as amended by P.L.119-2012, SEC.1.

Sec. 7. (a) The county treasurer shall establish an innkeeper's tax fund. The treasurer shall deposit in that fund all money received under section 6 of this chapter that is attributable to an innkeeper's tax rate that is not more than five percent (5%).

(b) Money in the innkeeper's tax fund shall be distributed as follows:

(1) Thirty percent (30%) shall be distributed as follows:

(A) Before July 1, 2015, and after June 30, 2017, to the department of natural resources for the development of projects in the state park on the county's largest river, including its tributaries.

(B) For the period July 1, 2015, through June 30, 2017, to the treasurer of state for deposit in the state general fund.

(2) Forty percent (40%) shall be distributed to the commission to carry out its purposes, including making any distributions or payments to the Lafayette - West Lafayette Convention and Visitors Bureau, Inc.

(3) Ten percent (10%) shall be distributed to a community development corporation that serves a metropolitan area in the county that includes:

(A) a city having a population of more than sixty-five thousand (65,000) but less than seventy thousand (70,000); and

(B) a city having a population of more than twenty-nine thousand five hundred (29,500) but less than twenty-nine thousand six hundred (29,600);

for the community development corporation's use in tourism, recreation, and economic development activities.

(4) Ten percent (10%) shall be distributed to Historic Prophetstown to be used by Historic Prophetstown for carrying out its purposes.

(5) Ten percent (10%) shall be distributed to the Wabash River Enhancement Corporation to assist the Wabash River Enhancement Corporation in carrying out its purposes.

(c) An advisory commission consisting of the following members is established:

(1) The director of the department of natural resources or the director's designee.

(2) The public finance director or the public finance director's designee.
(3) A member appointed by the Native American Indian affairs commission.
(4) A member appointed by Historic Prophetstown.
(5) A member appointed by the community development corporation described in subsection (b)(3).
(6) A member appointed by the Wabash River Enhancement Corporation.
(7) A member appointed by the commission.
(8) A member appointed by the county fiscal body.
(9) A member appointed by the town board of the town of Battleground.
(10) A member appointed by the mayor of the city of Lafayette.
(11) A member appointed by the mayor of the city of West Lafayette.

(d) The following apply to the advisory commission:
(1) The governor shall appoint a member of the advisory commission as chairman of the advisory commission.
(2) Six (6) members of the advisory commission constitute a quorum. The affirmative votes of at least six (6) advisory commission members are necessary for the advisory commission to take official action other than to adjourn or to meet to hear reports or testimony.
(3) The advisory commission shall make recommendations concerning the use of any proceeds of bonds issued to finance the development of Prophetstown State Park.
(4) Members of the advisory commission who are state employees:
(A) are not entitled to any salary per diem; and
(B) are entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and to reimbursement for other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(e) The Indiana finance authority, in its capacity as the recreational development commission, may issue bonds for the development of Prophetstown State Park under IC 14-14-1.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986, SEC.5; P.L.85-1993, SEC.4; P.L.178-2002, SEC.77; P.L.214-2005, SEC.27; P.L.167-2006, SEC.1; P.L.96-2008, SEC.2; P.L.1-2009, SEC.60; P.L.172-2011, SEC.100; P.L.229-2011, SEC.96; P.L.6-2012, SEC.59.

IC 6-9-7-8
Transfer and use of funds restricted; offenses

Sec. 8. (a) Any member of the commission who approves the transfer of funds to any person or corporation not qualified under this chapter for that transfer or who approves a transfer for a purpose not

permitted under this chapter commits a Level 6 felony.

(b) Any person or officer or employee of a corporation who receives a transfer of funds under this chapter and who uses those funds for any purpose other than a proposal approved by the commission commits a Level 6 felony.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.158-2013, SEC.110.

IC 6-9-7-9

Supplemental innkeeper's tax fund; uses

Sec. 9. (a) If the county fiscal body adopts an ordinance to increase the county's innkeeper's tax rate to a rate that exceeds five percent (5%), the county treasurer shall establish a supplemental innkeeper's tax fund. The treasurer shall deposit in the fund all money received under section 6 of this chapter that is attributable to an innkeeper's tax rate that exceeds five percent (5%).

(b) Money in the fund may be used for any purpose that in the discretion of the county fiscal body promotes economic development in the county.

As added by P.L.214-2005, SEC.28.

IC 6-9-8

Chapter 8. Marion County Innkeeper's Tax

IC 6-9-8-1

Application of chapter

Sec. 1. This chapter applies to each county having a consolidated first class city.

As added by Acts 1980, P.L.8, SEC.60.

IC 6-9-8-2

Tax levy on business of renting or furnishing lodgings

Sec. 2. (a) Each year a tax shall be levied on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any lodgings in any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which lodgings are regularly furnished for a consideration.

(b) This tax shall be in addition to the state gross retail tax and use tax imposed on such persons by IC 6-2.5. The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5.

(d) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may determine by rule.

(e) If the tax is paid to the department of state revenue, the amounts received from this tax shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state.

As added by Acts 1980, P.L.8, SEC.60. Amended by P.L.19-1986, SEC.23; P.L.108-1987, SEC.9; P.L.86-1993, SEC.1; P.L.67-1997, SEC.9.

IC 6-9-8-3

Tax rate; increases; use of money generated by increase

Sec. 3. (a) The tax imposed by section 2 of this chapter shall be at the rate of:

(1) before January 1, 2028, five percent (5%) on the gross income derived from lodging income only, plus an additional one percent (1%) if the fiscal body adopts an ordinance under subsection (b), plus an additional three percent (3%) if the fiscal body adopts an ordinance under subsection (d);

(2) after December 31, 2027, and before January 1, 2041, five percent (5%), plus an additional one percent (1%) if the fiscal body adopts an ordinance under subsection (b), plus an additional three percent (3%) if the fiscal body adopts an ordinance under subsection (d); and

(3) after December 31, 2040, five percent (5%).

(b) In any year subsequent to the initial year in which a tax is imposed under section 2 of this chapter, the fiscal body may, by ordinance adopted by at least two-thirds (2/3) of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter from five percent (5%) to six percent (6%). The ordinance must specify that the increase in the tax authorized under this subsection expires January 1, 2028.

(c) The amount collected from an increase adopted under subsection (b) shall be transferred to the capital improvement board of managers established by IC 36-10-9-3. The board shall deposit the revenues received under this subsection in a special fund. Money in the special fund may be used only for the payment of obligations incurred to expand a convention center, including:

(1) principal and interest on bonds issued to finance or refinance the expansion of a convention center; and

(2) lease agreements entered into to expand a convention center.

(d) On or before June 30, 2005, the fiscal body may, by ordinance adopted by a majority of the members elected to the fiscal body, increase the tax imposed by section 2 of this chapter by an additional three percent (3%) to a total rate of eight percent (8%) (or nine percent (9%) if the fiscal body has adopted an ordinance under subsection (b) and that rate remains in effect). The ordinance must specify that the increase in the tax authorized under this subsection expires on:

(1) January 1, 2041;

(2) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the authority created by IC 5-1-17 or to any state agency under IC 5-1-17-26; or

(3) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.

If the fiscal body adopts an ordinance under this subsection, it shall immediately send a certified copy of the ordinance to the

commissioner of the department of state revenue, and the increase in the tax imposed under this chapter applies to transactions that occur after June 30, 2005.

(e) Before September 1, 2009, the fiscal body may, by ordinance adopted by a majority of the members elected to the fiscal body, increase the tax rate under this chapter by not more than one percent (1%). If the fiscal body adopts an ordinance under this subsection:

(1) it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue; and

(2) the tax applies to transactions after the last day of the month in which the ordinance is adopted, if the city-county council adopts the ordinance on or before the fifteenth day of a month. If the city-county council adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

The increase in the tax imposed under this subsection continues in effect unless the increase is rescinded.

(f) The amount collected from an increase adopted under:

(1) subsection (b) and collected after December 31, 2027; and

(2) subsection (d);

shall be transferred to the capital improvement board of managers established by IC 36-10-9-3 or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency pursuant to IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received under this subsection in a special fund, which may be used only for the payment of the obligations described in this subsection.

(g) The amount collected from an increase adopted under subsection (e) shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16.

As added by Acts 1980, P.L.8, SEC.60. Amended by P.L.86-1993, SEC.2; P.L.256-1997(ss), SEC.2; P.L.214-2005, SEC.29; P.L.182-2009(ss), SEC.260.

IC 6-9-8-4

Exceptions

Sec. 4. The tax imposed by section 2 of this chapter does not apply to the renting or furnishing of lodgings to a person for a period of thirty (30) days or more.

As added by Acts 1980, P.L.8, SEC.60. Amended by P.L.86-1993, SEC.3.

IC 6-9-9

Chapter 9. Allen County Innkeeper's Tax

IC 6-9-9-1

Application of chapter to certain counties

Sec. 1. This chapter applies to a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

As added by Acts 1980, P.L.8, SEC.62. Amended by Acts 1982, P.L.1, SEC.15; P.L.12-1992, SEC.40.

IC 6-9-9-2

Tax levy on business of renting or furnishing lodgings

Sec. 2. (a) Each year a tax shall be levied on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any lodgings in any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which lodgings are regularly furnished for a consideration.

(b) This tax shall be in addition to the state gross retail tax and use tax imposed on such persons by IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may determine by rule.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state.

As added by Acts 1980, P.L.8, SEC.62. Amended by P.L.19-1986, SEC.24; P.L.108-1987, SEC.10; P.L.86-1993, SEC.4; P.L.67-1997, SEC.10.

IC 6-9-9-3

Tax rate; funding of convention and visitors bureau

Sec. 3. (a) The tax imposed by section 2 of this chapter shall be at the rate of seven percent (7%) on the gross income derived from lodging income only.

(b) At least two-sevenths (2/7) of the tax proceeds paid to the capital improvement board of managers under this chapter must be used to provide grants to the convention and visitor bureau in the county to be used solely for the purpose of the development and promotion of the tourism and convention industry within the county.

(c) The capital improvement board of managers may establish budgetary requirements for the convention and visitors bureau. If the convention and visitors bureau fails to conform, the board may elect to suspend funding until the bureau complies.

As added by Acts 1980, P.L.8, SEC.62. Amended by Acts 1980, P.L.63, SEC.1; P.L.86-1993, SEC.5; P.L.49-1994, SEC.10; P.L.224-2007, SEC.95.

IC 6-9-9-4

Exceptions

Sec. 4. The tax imposed by section 2 of this chapter does not apply to the renting or furnishing of lodgings to a person for a period of thirty (30) days or more.

As added by Acts 1980, P.L.8, SEC.62. Amended by P.L.86-1993, SEC.6.

IC 6-9-10

Chapter 10. Wayne County Innkeeper's Tax

IC 6-9-10-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than sixty-eight thousand nine hundred (68,900) but less than seventy thousand (70,000).

As added by Acts 1980, P.L.64, SEC.1. Amended by Acts 1982, P.L.1, SEC.16; P.L.12-1992, SEC.41; P.L.170-2002, SEC.37; P.L.119-2012, SEC.61.

IC 6-9-10-2

Board of managers; creation; promotion of conventions and tourism

Sec. 2. (a) There is created a seven (7) member board of managers (referred to as the "board" in this chapter) whose purpose is to promote the development and growth of the convention and tourism industry in the county.

(b) The board of county commissioners, by majority vote, shall appoint three (3) members of the board, one (1) of whom must be engaged in the lodging industry in the county, one (1) of whom must be a county commissioner in the county, and one (1) of whom must be a member of a chamber of commerce in the county. The city council of the county's largest city according to the last preceding United States decennial census shall, by majority vote, appoint three (3) members of the board, one (1) of whom must be engaged in the lodging industry in the county, one (1) of whom must be engaged in the travel industry in the county, and one (1) of whom must be a member of the chamber of commerce of the county's largest city. The mayor of the city having the largest population in the county according to the last preceding United States decennial census shall appoint one (1) member who must be a member of the county's business community.

(c) All terms of office begin on January 1 and end on December 31. Members of the board appointed by the county commissioners serve one (1) year terms, and the other members of the board serve two (2) year terms. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A board member may be removed for cause by his appointing authority.

(e) Members of the board may not receive a salary. However, board members shall receive reimbursement for necessary expenses incurred in the performance of their respective duties.

(f) Each board member, before entering his duties, shall take an oath of office in the usual form, to be indorsed upon his certificate of appointment, which shall be promptly filed with the clerk of the circuit court of his county of residence.

As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.81-1985,

SEC.4.

IC 6-9-10-3
Meetings; officers; rules; quorum

Sec. 3. After the first day of January each year, the board shall meet for the purpose of organization. They shall elect one (1) of their members to serve as president, another to serve as vice president, another to serve as secretary, and another to serve as treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. The members shall be authorized to adopt such bylaws and rules and regulations as they deem necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the funds and the property entrusted to their care. A majority of the board constitutes a quorum, and the concurrence of a majority of the board is necessary to authorize any action.
As added by Acts 1980, P.L.64, SEC.1.

IC 6-9-10-4
Funds; deposit; audit

Sec. 4. All funds coming into possession of the board shall be deposited, held, secured or invested and paid in accordance with the general laws of the state relating to the handling of public funds. The handling and expenditure of funds coming into possession of the board is subject to audit and supervision by the state board of accounts.
As added by Acts 1980, P.L.64, SEC.1.

IC 6-9-10-5
"Person"; powers of board

Sec. 5. (a) For purposes of this section, "person" includes a sole proprietorship, a partnership, an association, a corporation, a limited liability company, a fiduciary, or an individual.

(b) The board may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the board deems necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by organizations; and

(6) either:

(A) finance facilities; or

(B) enter into contracts with a person to assist in the financing of facilities;

to be used by the board or a person to promote the development and growth of the convention and tourism industry in the

county.

(c) By resolution of the board and by ordinance of the county fiscal body, the board and the county may jointly:

(1) pledge tax revenues received under this chapter to pay:

(A) the principal of or interest on bonds;

(B) the lease rental payments on leases; or

(C) other obligations of the county;

to finance facilities described in subsection (b)(6); or

(2) require financial or other reports from:

(A) any organization that receives funds under this chapter; or

(B) any person who receives assistance to finance facilities under this chapter.

(d) The board may pledge tax revenues received under this chapter to pay the interest on obligations entered into by a person with whom the board has entered into a contract to assist in financing facilities under subsection (b)(6).

(e) A pledge of revenues under this section is enforceable under IC 5-1-14-4.

As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.224-2003, SEC.249.

IC 6-9-10-6

Tax on lodgings; collection; additional rate to finance facilities

Sec. 6. (a) There is imposed a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodging, or accommodations in any hotel, motel, inn, university residence hall, tourist camp, or tourist cabin located in the county. However, the tax is not imposed on the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more, or on the renting or furnishing of any room, lodging, or accommodations in a university or college residence hall to a student participating in a course of study for which the student receives college credit from a college or university located in the county.

(b) The tax shall be imposed at the rate of three percent (3%) on the gross income derived from lodging income only. Except as provided in subsection (g), the fiscal body of the county may increase the tax rate up to a maximum rate of five percent (5%). The tax is in addition to the state gross retail tax imposed on such persons by IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties,

liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the foregoing sentence, the terms "person" and "gross income" have the same meaning in this section as they have in IC 6-2.5, except that "person" does not include state supported educational institutions.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as the department of state revenue may by rule determine.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(g) In addition to the rates authorized in subsection (b), the county fiscal body may adopt an ordinance to increase the tax by an additional rate of one percent (1%) on the gross income derived from lodging income, up to a maximum rate of six percent (6%), only to provide funds for the purposes described in section 5(b)(6) of this chapter.

(h) A tax rate imposed under subsection (g) may not be imposed for a time greater than is necessary to:

(1) pay the costs of financing facilities; or

(2) assist a person with whom the board has contracted to finance facilities;

described in section 5(b)(6) of this chapter.

(i) The county fiscal body may not take action to rescind the additional tax imposed under subsection (g) if:

(1) the principal of or interest on any bonds;

(2) the lease rentals due under any leases; or

(3) any other obligation;

remains unpaid.

As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.19-1986, SEC.25; P.L.110-1987, SEC.1; P.L.108-1987, SEC.11; P.L.67-1997, SEC.11; P.L.224-2003, SEC.250.

IC 6-9-10-7

Convention and tourism fund; account for revenues from additional tax rate

Sec. 7. (a) The county treasurer shall establish a convention and tourism fund and shall deposit in the fund all money the county treasurer receives under section 6 of this chapter.

(b) The county treasurer shall establish an account of the fund into which the treasurer shall deposit all tax revenues received from the imposition of the additional tax rate under section 6(g) of this chapter. Money in the account shall be expended to pay:

(1) debt service on bonds issued by the county to finance facilities described in section 5(b)(6) of this chapter; or

(2) interest on obligations entered into by a person with whom the board has entered into a contract to assist in financing facilities described in section 5(b)(6) of this chapter.

(c) Money in the fund shall be expended by the board to develop and promote the convention and tourism industry.

As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.224-2003, SEC.251.

IC 6-9-10-8

Transfer and use of funds restricted; offenses

Sec. 8. (a) A person who approves the transfer of funds to any person not qualified under this chapter for that transfer, or approves a transfer for a purpose not permitted under this chapter, commits a Level 6 felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses the funds for any purpose other than a proposal approved by the board commits a Level 6 felony.

As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.158-2013, SEC.111.

IC 6-9-10-9

Unique position of county to develop and promote convention and tourism industry

Sec. 9. (a) A county described in section 1 of this chapter has been presented a unique opportunity to enter into a public-private partnership to develop conference facilities that will serve to develop and promote the convention and tourism industry in the county.

(b) A county described in section 1 of this chapter is uniquely positioned to develop and promote its convention and tourism industry due to its geographic location as a gateway to the state and the presence of at least two (2) national highways traversing its boundaries.

As added by P.L.224-2003, SEC.252.

IC 6-9-10-10

Covenant protecting bondholders

Sec. 10. With respect to:

(1) bonds, leases, or other obligations for which the county has pledged tax revenues under section 5 of this chapter; or

(2) bonds issued by a lessor that are payable from lease rentals;

the general assembly covenants with the county, the purchasers or owners of the bonds or other obligations described in subdivision (1), and the owners of bonds described in subdivision (2) that this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the principal of any bonds, the interest on any bonds, or the lease rentals due under any lease remain unpaid.

As added by P.L.224-2003, SEC.253.

IC 6-9-10.5

Chapter 10.5. White County Innkeeper's Tax

IC 6-9-10.5-1

Applicability of chapter

Sec. 1. This chapter applies to a county having a population of more than twenty-four thousand five hundred (24,500) but less than twenty-five thousand (25,000).

As added by P.L.68-1997, SEC.1. Amended by P.L.170-2002, SEC.38; P.L.119-2012, SEC.62.

IC 6-9-10.5-1.5

"Commission"

Sec. 1.5. As used in this chapter, "commission" means a commission created under section 9 of this chapter.

As added by P.L.172-2011, SEC.101.

IC 6-9-10.5-2

"Executive"

Sec. 2. As used in this chapter, "executive" has the meaning set forth in IC 36-1-2.

As added by P.L.68-1997, SEC.1.

IC 6-9-10.5-3

"Fiscal body"

Sec. 3. As used in this chapter, "fiscal body" has the meaning set forth in IC 36-1-2.

As added by P.L.68-1997, SEC.1.

IC 6-9-10.5-4

"Gross retail income"

Sec. 4. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1.

As added by P.L.68-1997, SEC.1.

IC 6-9-10.5-5

"Person"

Sec. 5. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1.

As added by P.L.68-1997, SEC.1.

IC 6-9-10.5-6

Tax on lodging authorized; maximum rate; collection

Sec. 6. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) inn;

(4) tourist cabin; or

(5) campground space;

located in the county.

(b) The tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(e) If the tax is paid to the department of state revenue, the taxes the department of state revenue receives under this section during a month shall be paid, by the end of the next succeeding month, to the county treasurer upon warrants issued by the auditor of state.

As added by P.L.68-1997, SEC.1. Amended by P.L.67-1997, SEC.12; P.L.172-2011, SEC.102.

IC 6-9-10.5-7

Lake enhancement fund; deposit of revenue

Sec. 7. (a) If a tax is levied under section 6 of this chapter, the county treasurer shall establish a lake enhancement fund. Except as provided in subsection (c) and section 8 of this chapter, the county treasurer shall deposit in this fund all amounts received under section 6 of this chapter.

(b) Money in this fund may be expended only to enhance lakes located in the county, including silt trap maintenance.

(c) This subsection applies if the tax levied under section 6 of this chapter is increased by an ordinance adopted by the county fiscal body after June 30, 2011. The county treasurer shall deposit in the lake enhancement fund:

(1) the amount received under section 6 of this chapter; multiplied by

(2) a fraction, the numerator of which is three (3) and the denominator of which is the product of:

(A) the tax rate in effect after the adoption of the ordinance

to increase the tax; multiplied by

(B) one hundred (100).

As added by P.L.68-1997, SEC.1. Amended by P.L.172-2011, SEC.103.

IC 6-9-10.5-8

County promotion fund; deposit of revenue

Sec. 8. (a) If the tax levied under section 6 of this chapter is increased by an ordinance adopted by the county fiscal body after June 30, 2011, the county treasurer shall establish a county promotion fund. The county treasurer shall deposit in the county promotion fund the difference between:

(1) the amount received under section 6 of this chapter; minus

(2) the amount deposited in the lake enhancement fund under section 7(c) of this chapter.

(b) In a county in which a commission has been established under section 9 of this chapter, the county auditor shall issue a warrant directing the county treasurer to transfer money from the county promotion fund to the commission's treasurer if the commission submits a written request for the transfer.

(c) Money in a county promotion fund, or money transferred from such a fund under subsection (b), may be expended only to promote and encourage conventions, visitors, tourism, and economic development within the county. Expenditures that may be made under this subsection include expenditures for advertising, promotional activities, trade shows, special events, and recreation, and expenditures that are authorized by IC 6-3.5-7-13.1 with respect to the county's economic development income tax fund.

As added by P.L.172-2011, SEC.104.

IC 6-9-10.5-9

Commission; membership; terms; oath

Sec. 9. (a) If the tax levied under section 6 of this chapter is increased by an ordinance of the county fiscal body, the county executive shall create a commission to promote:

(1) economic development; and

(2) the development and growth of the convention, visitor, and tourism industry;

in the county.

(b) The composition and appointment of the membership of a commission created under subsection (a) must be as follows:

(1) Subject to subdivision (2), the county executive shall determine the number of members of the commission.

(2) The commission must be composed of an odd number of members.

(3) A simple majority of the members must be:

(A) engaged in the convention or tourism business;

(B) involved in or promoting conventions, visitors, or tourism; or

(C) involved in promoting economic development in the

county.

(4) At least two (2) members must be engaged in the business of renting or furnishing rooms, lodging, or accommodations (as described in section 6 of this chapter) if at least two (2) such individuals are available and willing to serve on the commission.

(5) Not more than a simple majority of the members may be affiliated with the same political party.

(6) Each member must reside in the county.

(7) The executive of the largest municipality of the county shall appoint a number of members equal to:

(A) the total number of members of the commission; multiplied by

(B) a fraction:

(i) the numerator of which is equal to the population of the largest municipality in the county; and

(ii) the denominator of which is equal to the total population of the county;

rounded to the nearest whole number. The county executive shall determine who appoints the members of the commission not appointed by the executive of the largest municipality of the county.

(c) All terms of office of commission members begin on January 1. Initial appointments must be for staggered terms, with subsequent appointments for two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an initial appointment is not made by February 1 or a vacancy is not filled within thirty (30) days after the vacancy occurs, the commission shall appoint a member by majority vote.

(d) A member of the commission may be removed for cause by the member's appointing authority.

(e) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(f) Each commission member, before entering the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(g) The commission shall meet after January 1 each year for the purpose of organization. The commission shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

As added by P.L.172-2011, SEC.105.

IC 6-9-10.5-10
Powers of commission; payment of commission expenses

Sec. 10. (a) A commission created under section 9 of this chapter may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;
(2) sue and be sued;
(3) enter into contracts and agreements;
(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;
(5) receive and approve, alter, or reject requests and proposals for funding by corporations described in subdivision (6);
(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established under section 8(a) of this chapter, or from money transferred from that fund to the commission's treasurer under section 8(b) of this chapter, to any Indiana nonprofit corporation to promote and encourage conventions, tourism, or economic development in the county; and
(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) All expenses of the commission shall be paid from the fund established under section 8(a) of this chapter or from money transferred from that fund to the commission's treasurer under section 8(b) of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation described in subsection (a)(6), and submit the budget to the county fiscal body for review and approval. An expenditure may not be made under this chapter unless the expenditure is in accordance with an appropriation made by the county fiscal body in the manner provided by law.

As added by P.L.172-2011, SEC.106.

IC 6-9-10.5-11
Investment and payment of commission funds

Sec. 11. All money coming into the possession of a commission created under section 9 of this chapter shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money coming into possession of the commission are subject to audit and supervision by the state board of accounts.

As added by P.L.172-2011, SEC.107. Amended by P.L.6-2012, SEC.60.

IC 6-9-10.5-12
Transfer of funds; offenses

Sec. 12. (a) A member of a commission created under section 9 of

this chapter who knowingly:

(1) approves the transfer of money to any person or corporation not qualified under law to receive the transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses the money for any purpose not permitted under this chapter commits a Level 6 felony.

As added by P.L.172-2011, SEC.108. Amended by P.L.158-2013, SEC.112.

IC 6-9-11

Chapter 11. Vigo County Innkeeper's Tax

IC 6-9-11-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000).

As added by Acts 1980, P.L.65, SEC.1. Amended by Acts 1982, P.L.1, SEC.17; P.L.12-1992, SEC.42; P.L.170-2002, SEC.39.

IC 6-9-11-2

Convention and visitor commission; creation

Sec. 2. (a) If a tax is levied under section 6(a) of this chapter, there is created a five (5) member convention and visitor commission (referred to as the "commission" in this chapter), whose purpose it is to promote the development and growth of the convention and visitor industry in the county.

(b) The county council, by majority vote, shall appoint two (2) members of the commission, one (1) of whom must be engaged in the hotel or motel business in the county and one (1) of whom must be engaged in the profession of education within the county. The two (2) members appointed by the county council may not be members of the same political party. The county commissioners, by majority vote, shall appoint two (2) members of the commission, one (1) of whom must be engaged in the hotel or motel business within the county and one (1) of whom must be representative of business, industry or labor within the county. The two (2) members appointed by the county commissioners may not be members of the same political party. The mayor of the largest city in the county, according to the preceding decennial United States census, shall appoint one (1) member of the commission. The mayor's appointee must be engaged in the hotel or motel business in the county.

(c) The initial terms of office of the members of the commission begin on the date a tax is levied under section 6(a) of this chapter. The initial terms of the members appointed by the county commissioners end on December 31 of the year in which the tax is levied, and the initial terms of the members appointed by the county council and by the mayor of the largest city end on December 31 of the immediately following year. All terms of office after the initial terms begin on January 1 and end on December 31. After the initial terms, members of the commission appointed by the county council and by the mayor of the largest city serve two (2) year terms, and members appointed by the county commissioners serve one (1) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the commission, by majority vote shall, within thirty (30) days, appoint a qualified person to serve the remainder of the term. If the commission fails to appoint a person within thirty (30) days of the vacancy, the original appointing official or body for that vacant position, by majority vote, shall appoint a

qualified person to serve the remainder of the term.

(d) Members of the commission may not receive a salary. However, commission members shall receive reimbursement for necessary expenses, but only when the necessary expenses are incurred in the performance of their respective duties.

As added by Acts 1980, P.L.65, SEC.1.

IC 6-9-11-3

Powers and duties of commission

Sec. 3. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the commission deems necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under clause (6) of this section;

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established in section 7 of this chapter, to any Indiana not-for-profit corporation for the purpose of promotion and encouragement in the county of conventions, tourism, trade shows, visitors, or special events;

(7) require financial or other reports from any corporation that receives funds under this chapter;

(8) issue bonds for the construction, acquisition, enlarging, and equipping of a sports and recreational facility;

(9) enter into leases under IC 36-1-10 for the construction acquisition, enlargement, and equipping of a sports and recreational facility; and

(10) exercise the power of eminent domain to acquire property to promote and encourage conventions, tourism, trade shows, visitors, or special events within the county.

(b) A majority of the commission shall constitute a quorum for the transaction of business, and the concurrence of a majority of those present shall be necessary to authorize any action.

As added by Acts 1980, P.L.65, SEC.1. Amended by P.L.11-2001, SEC.1.

IC 6-9-11-3.5

Use of funds; sports and recreation facilities

Sec. 3.5. The commission may enter into an agreement under which amounts deposited in, or to be deposited in, the convention and visitor promotion fund established under section 7 of this chapter are pledged to payment of obligations (including bonds and leases entered into under IC 36-1-10) issued to finance the construction, acquisition, enlargement, and equipping of a sports and recreation facility to promote and encourage conventions, trade shows, tourism,

visitors, or special events within the county.
As added by P.L.11-2001, SEC.2.

IC 6-9-11-3.7
Bonds and leases; sports and recreation facilities

Sec. 3.7. (a) The commission may issue bonds or enter into leases to:

(1) pay the costs incurred in the financing, construction, acquisition, enlargement, and equipping of a sports and recreational facility to promote and encourage conventions, trade shows, tourism, visitors, or special events within the county;

(2) reimburse itself or any nonprofit corporation for any money advanced to pay the costs described in subdivision (1); or

(3) refund bonds issued or other obligations incurred under this chapter.

The county fiscal body must adopt a resolution authorizing the issuance of bonds or the execution of leases entered into under this section.

(b) Bonds issued under this section:

(1) are payable solely from the money provided in this chapter;

(2) may, in the discretion of the commission, be sold at a negotiated sale or under IC 5-1-11 and IC 5-3-1; and

(3) must be authorized by a resolution of the commission.

(c) Leases entered into under this section:

(1) may be for a term not to exceed fifty (50) years;

(2) may provide for payments from revenues under this chapter, any other revenues available to the commission, or any combination of these sources;

(3) may provide that payments by the commission to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;

(4) must be based upon the value of the facilities leased; and

(5) may not create a debt of the county for purposes of the Constitution of the State of Indiana.

(d) A lease may be entered into by the commission only after a public hearing:

(1) for which notice has been given in accordance with IC 5-3-1; and

(2) at which all interested parties are provided the opportunity to be heard.

(e) After the public hearing required by subsection (d), the commission may approve the execution of a lease only if the commission finds that the services to be provided throughout the life of the lease will serve the public purposes for which the commission was created and that the execution of the lease is in the best interests of the residents of the county.

(f) Upon execution of a lease under this section, the commission shall publish notice of the execution of the lease in accordance with

IC 5-3-1.

(g) An action to contest the validity of bonds issued or leases entered into under this section must be brought within thirty (30) days after the adoption of a bond resolution or notice of the execution and approval of the lease, as the case may be.

As added by P.L.11-2001, SEC.3.

IC 6-9-11-3.9

Bonds and leases; adverse legislation

Sec. 3.9. With respect to:

(1) bonds or leases to which the commission has pledged revenues under this chapter; and

(2) bonds issued by a lessor that are payable from lease rentals;

the general assembly covenants with the commission and the purchasers or owners of the bonds described in this section that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter or the money deposited in the convention and visitor promotion fund, as long as the principal of or interest on any bonds, or the lease rentals due under any lease, are unpaid.

As added by P.L.11-2001, SEC.4.

IC 6-9-11-4

Expenses of commission; disbursements

Sec. 4. All expenses of the commission shall be paid from the fund established in section 7 of this chapter. The commission has the sole authority to allocate and disburse monies from this fund. The commission may make allocations of these funds only to further the purpose of this chapter as stated in section 2(a) of this chapter. In addition, the commission may not lend any funds to any private investment group.

As added by Acts 1980, P.L.65, SEC.1.

IC 6-9-11-4.5

Public purpose; sports and recreation facilities

Sec. 4.5. The financing of the construction, acquisition, enlargement, and equipping of a sports and recreational facility to promote and encourage conventions, trade shows, tourism, visitors, or special events within the county serves a public purpose and is of benefit to the general welfare of the county by encouraging investment, job creation and retention, and economic growth and diversity.

As added by P.L.11-2001, SEC.5.

IC 6-9-11-5

Report by not-for-profit corporations receiving funds

Sec. 5. Any not-for-profit corporation that receives funds under this chapter shall make a financial or other report upon request of the commission, and/or the Vigo County Council.

As added by Acts 1980, P.L.65, SEC.1.

IC 6-9-11-6

Tax on lodgings authorized; imposition, payment, and collection

Sec. 6. (a) The county council may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, tourist camp, tourist cabin, university memorial union, or university residence hall, except state camping facilities, located in the county. The county council may impose the tax at a rate not to exceed eight percent (8%) on the gross income derived from lodging income only. The tax is in addition to the state gross retail tax imposed on those persons by IC 6-2.5. The tax does not apply to a retail transaction in which a student rents lodging in a university memorial union or residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross income" shall have the same meaning in this section as they have in IC 6-2.5, except that "person" shall not include supported educational institutions. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

As added by Acts 1980, P.L.65, SEC.1. Amended by P.L.19-1986, SEC.26; P.L.108-1987, SEC.12; P.L.85-1995, SEC.36; P.L.67-1997, SEC.13; P.L.41-1999, SEC.1; P.L.293-2013(ts), SEC.36.

IC 6-9-11-7

Convention and visitor promotion fund

Sec. 7. The county treasurer shall establish a convention and visitor promotion fund and shall invest any portion of the fund as he may be directed by the commission in section 2(a) of this chapter. He shall deposit in the fund all money he receives under section 6 of this chapter. Money in the fund may be expended only as provided in this chapter.

As added by Acts 1980, P.L.65, SEC.1.

IC 6-9-11-8

Transfer and use of funds; offenses

Sec. 8. (a) A member of the commission who knowingly approves the transfer of funds to any person not qualified under this chapter for such a transfer, or approves a transfer for a purpose not permitted under this chapter, commits a Level 6 felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses the funds for any purpose other than a proposal approved by the commission commits a Level 6 felony.

As added by Acts 1980, P.L.65, SEC.1. Amended by P.L.158-2013, SEC.113.

IC 6-9-11-9

Promotion of tourism and visitors; sports and recreation facilities

Sec. 9. The General Assembly finds that:

(1) a county described in section 1 of this chapter possesses a unique opportunity to promote and encourage conventions, trade shows, tourism, visitors, or special events in the county due to the presence in the county of one (1) or more sports and recreational facilities that have been used by:

(A) public and private universities in the county;

(B) senior citizens;

(C) community groups; and

(D) interscholastic organizations;

for athletic competitions that have served and encouraged tourism and visitors in the county due to the size, extent, and nature of such athletic competitions; and

(2) the construction, acquisition, enlargement, and equipping of those sports and recreational facilities will promote and encourage tourism and visitors within the county.

As added by P.L.11-2001, SEC.6.

IC 6-9-12

Chapter 12. Marion County Food and Beverage Tax

IC 6-9-12-1

Definitions

Sec. 1. As used in this chapter:

"Beverage" includes, but is not limited to, any alcoholic beverage.

"Food" includes, but is not limited to, any food product.

"Gross retail income" has the same meaning as the definition of that term contained in IC 6-2.5-1-5.

"Person" has the same meaning as the definition of that term contained in IC 6-2.5-1-3.

"Retail merchant" has the same meaning as the definition of that term contained in IC 6-2.5-1-8.

As added by Acts 1981, P.L.99, SEC.1.

IC 6-9-12-2

Imposition of tax by ordinance

Sec. 2. (a) After January 1 but before June 1 of any year, the city-county council of a county that contains a consolidated city may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 3 of this chapter.

(b) If a city-county council adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a city-county council adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after June 30 of the year in which the ordinance is adopted.

As added by Acts 1981, P.L.99, SEC.1. Amended by P.L.16-1984, SEC.5.

IC 6-9-12-3

Taxable transactions

Sec. 3. (a) Subject to section 4 of this chapter, the tax imposed under this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in a county in which a consolidated first class city is located; and

(3) by a retail merchant for a consideration.

(b) Transactions described in subsection (a)(1) include, but are not limited to transactions in which food or beverage is:

(1) served by a retail merchant off his premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods

requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

As added by Acts 1981, P.L.99, SEC.1. Amended by P.L.257-2003, SEC.33.

IC 6-9-12-4
Exemptions

Sec. 4. The county food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by Acts 1981, P.L.99, SEC.1.

IC 6-9-12-5
Rate of tax

Sec. 5. (a) Subject to subsection (b), the county food and beverage tax imposed on a food or beverage transaction described in section 3 of this chapter equals one percent (1%) of the gross retail income received by the retail merchant from the transaction. The tax authorized under this subsection expires January 1, 2041.

(b) On or before June 30, 2005, the city-county council of a county may, by a majority vote of the members elected to the city-county council, adopt an ordinance that increases the tax imposed under this chapter by an additional rate of one percent (1%) to a total rate of two percent (2%). The ordinance must specify that the increase in the tax authorized under this subsection expires on:

(1) January 1, 2041;

(2) January 1, 2010, if on that date there are no obligations owed by the capital improvement board of managers to the authority created by IC 5-1-17 or to any state agency under IC 5-1-17-26; or

(3) October 1, 2005, if on that date there are no obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority or to any state agency under a lease or a sublease of an existing capital improvement entered into under IC 5-1-17, unless waived by the budget director.

If a city-county council adopts an ordinance under this subsection, it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue, and the increase in the tax imposed under this chapter applies to transactions that occur after June 30, 2005.

(c) For purposes of this chapter, the gross retail income received by the retail merchant from a transaction that is subject to the tax

imposed by this chapter does not include the amount of tax imposed on the transaction under IC 6-2.5.
As added by Acts 1981, P.L.99, SEC.1. Amended by P.L.214-2005, SEC.30.

IC 6-9-12-6
Liability; collection

Sec. 6. The person who acquires any food or beverage under a transaction described in section 3 of this chapter is liable for the county food and beverage tax. The person shall pay the tax to the retail merchant as a separate amount added to the consideration for the food or beverage. The retail merchant shall collect the tax as an agent for the county and the state.
As added by Acts 1981, P.L.99, SEC.1.

IC 6-9-12-7
Procedures for imposition, payment, and collection; returns

Sec. 7. The county food and beverage tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the county food and beverage tax may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.
As added by Acts 1981, P.L.99, SEC.1.

IC 6-9-12-8
Payment to capital improvement board of county

Sec. 8. The amounts received from the county food and beverage tax shall be paid monthly by the treasurer of the state to the treasurer of the capital improvement board of managers of the county or its designee upon warrants issued by the auditor of state. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county food and beverage tax imposed under:

(1) section 5(a) of this chapter for revenue received after December 31, 2027; and
(2) section 5(b) of this chapter;

in a special fund, which may be used only for the payment of the obligations described in this section.
As added by Acts 1981, P.L.99, SEC.1. Amended by P.L.214-2005, SEC.31.

IC 6-9-12-9

Repealed

(Repealed by P.L.214-2005, SEC.77.)

IC 6-9-13

Chapter 13. Marion County Admissions Tax

IC 6-9-13-1

Imposition of tax by ordinance; exceptions; dates effective

Sec. 1. (a) Except as provided in subsection (b), the city-county council of a county that contains a consolidated first class city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, 2041, any event and, after December 31, 2040, any professional sporting event:

(1) held in a facility financed in whole or in part by:

(A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or

(B) a lease or other agreement under IC 5-1-17; and

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility.

(b) The excise tax imposed under subsection (a) does not apply to the following:

(1) An event sponsored by an educational institution or an association representing an educational institution.

(2) An event sponsored by a religious organization.

(3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.

(4) An event sponsored by a political organization.

(c) If a city-county council adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(d) If a city-county council adopts an ordinance under subsection (a) or section 2 of this chapter prior to June 1, the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a) or section 2 of this chapter on or after June 1, the county admissions tax applies to admission charges collected after the last day of the month in which the ordinance is adopted.

As added by Acts 1981, P.L.99, SEC.2. Amended by P.L.3-1990, SEC.28; P.L.256-1997(ss), SEC.3; P.L.46-1998, SEC.6; P.L.214-2005, SEC.32.

IC 6-9-13-2

Rate of tax; allocation and distribution

Sec. 2. (a) Except as provided in subsection (b), the county admissions tax equals five percent (5%) of the price for admission to any event described in section 1 of this chapter.

(b) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax from five

percent (5%) to six percent (6%) of the price for admission to any event described in section 1 of this chapter.

(c) After January 1, 2013, and before March 1, 2013, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax rate by not more than four percent (4%) of the price for admission to any event described in section 1 of this chapter. If the city-county council adopts an ordinance under this subsection:

(1) the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue; and

(2) the tax applies to transactions after the last day of the month in which the ordinance is adopted, if the city-county council adopts the ordinance on or before the fifteenth day of a month. If the city-county council adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

The increase in the tax imposed under this subsection continues in effect unless the increase is rescinded. However, any increase in the tax rate under this subsection may not continue in effect after February 28, 2023.

(d) The amount collected from that portion of the county admissions tax imposed under:

(1) subsection (a) and collected after December 31, 2027; and

(2) subsection (b);

shall be distributed to the capital improvement board of managers or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county admissions tax imposed under subsection (b) in a special fund, which may be used only for the payment of the obligations described in this subsection.

(e) The amount collected from an increase adopted under subsection (c) shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16.

As added by Acts 1981, P.L.99, SEC.2. Amended by P.L.256-1997(ss), SEC.4; P.L.214-2005, SEC.33; P.L.182-2009(ss), SEC.261; P.L.205-2013, SEC.132.

IC 6-9-13-3

Liability; collection

Sec. 3. (a) Each person who pays a price for admission to any event described in section 1(a) of this chapter is liable for the tax imposed under this chapter.

(b) The person who collects the price for admission shall also collect the county admissions tax imposed with respect to the price for admission. The person shall collect the tax at the same time the price for admission is paid, regardless of whether the price paid is for a single admission, for season tickets, or for any other admission arrangement. In addition, the person shall collect the tax as an agent of the state and the county in which the facility described in section 1 of this chapter is located.
As added by Acts 1981, P.L.99, SEC.2. Amended by P.L.256-1997(ss), SEC.5.

IC 6-9-13-4
Remittance of tax revenues; reporting periods; returns

Sec. 4. A person who collects any county admission tax under section 3 of this chapter shall remit the tax collections to the department of state revenue. The person shall remit those revenues collected during a particular month before the fifteenth day of the following month. At the time the tax revenues are remitted, the person shall file a county admissions tax return on the form prescribed by the department of state revenue.
As added by Acts 1981, P.L.99, SEC.2.

IC 6-9-13-5
Payment to capital improvement board of county

Sec. 5. The amounts received from the county admissions tax shall be paid monthly by the treasurer of the state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state.
As added by Acts 1981, P.L.99, SEC.2.

IC 6-9-14

Chapter 14. Brown County Innkeeper's Tax

IC 6-9-14-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than fifteen thousand (15,000) but less than fifteen thousand five hundred (15,500).

As added by Acts 1981, P.L.100, SEC.1. Amended by Acts 1982, P.L.1, SEC.18; P.L.12-1992, SEC.43; P.L.170-2002, SEC.40; P.L.119-2012, SEC.63.

IC 6-9-14-2

Convention and visitors commission

Sec. 2. (a) A county that imposes a tax pursuant to section 6 of this chapter shall create a five (5) member convention and visitors commission (referred to as the "commission" in this chapter), whose purpose it is to promote the development and growth of conventions and visitation in the county.

(b) If a convention and visitors commission is created for a county, the county council, by majority vote, shall appoint three (3) members of the commission, at least two (2) of whom must be engaged in the hotel or motel business in the county. The county commissioners, by majority vote, shall appoint two (2) members of the commission, at least one (1) of whom must be engaged in the hotel or motel business within the county.

(c) All terms of office begin on January 1 and end on December 31. Members of the commission appointed by the county council serve two (2) year terms, and members appointed by the county commissioners serve one (1) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A member of the commission may be removed for cause by his appointing authority.

(e) Members of the commission may not receive a salary. However, commission members shall receive reimbursement for necessary expenses, but only when the necessary expenses are incurred in the performance of their respective duties.

As added by Acts 1981, P.L.100, SEC.1. Amended by P.L.62-1990, SEC.3.

IC 6-9-14-3

Powers

Sec. 3. The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the commission deems necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;
(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);
(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund required by section 7 of this chapter, to any not-for-profit corporation, for the purpose of promotion and encouragement in the county of convention and visitation development; and
(7) require financial or other reports from any corporation that receives funds under this chapter.

A majority of the commission shall constitute a quorum for the transaction of business, and the concurrence of a majority of the commission shall be necessary to authorize any action.

As added by Acts 1981, P.L.100, SEC.1. Amended by P.L.62-1990, SEC.4.

IC 6-9-14-4
Payment of expenses; budget; expenditures

Sec. 4. All expenses of the commission shall be paid from the fund required by section 7 of this chapter. The commission shall annually prepare a budget taking into consideration the recommendations made by a not-for-profit corporation qualifying under section 3 of this chapter and shall submit it to the county council for its review and approval. No expenditure shall be made unless it is pursuant to an appropriation made by the county council in the manner provided by law.

As added by Acts 1981, P.L.100, SEC.1.

IC 6-9-14-5
Report by recipient of funds

Sec. 5. Any not-for-profit corporation that receives funds under this chapter shall make a financial or other report upon request of the commission.

As added by Acts 1981, P.L.100, SEC.1.

IC 6-9-14-6
Tax on lodging income

Sec. 6. (a) The county council may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings or accommodations in any hotel, motel, inn, conference center, retreat center, or tourist cabin located in the county. However, the county council may not levy the tax on a person for engaging in the business of providing campsites within a state or federal park or forest. The tax may be imposed at any rate up to and including five percent (5%). The tax shall be imposed on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed on those persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that

the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" shall have the same meaning in this section as they have in IC 6-2.5. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule or regulation, determine.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

As added by Acts 1981, P.L.100, SEC.1. Amended by P.L.108-1987, SEC.13; P.L.62-1990, SEC.5; P.L.85-1995, SEC.35; P.L.67-1997, SEC.14.

IC 6-9-14-7

Convention and visitors fund

Sec. 7. The county treasurer shall establish a convention and visitors fund. He shall deposit in the fund the money he receives under section 6 of this chapter. Money in the fund may be expended only as provided in this chapter.

As added by Acts 1981, P.L.100, SEC.1. Amended by P.L.62-1990, SEC.6.

IC 6-9-14-8

Transfer and use of funds; offenses

Sec. 8. (a) A member of the commission who knowingly approves the transfer of funds to any person not qualified under this chapter for such a transfer, or approves a transfer for a purpose not permitted under this chapter, commits a Level 6 felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses the funds for any purpose other than a proposal approved by the commission commits a Level 6 felony.

As added by Acts 1981, P.L.100, SEC.1. Amended by P.L.158-2013,

SEC.114.

IC 6-9-15

Chapter 15. Jefferson County Innkeeper's Tax

IC 6-9-15-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than thirty-two thousand (32,000) but less than thirty-two thousand five hundred (32,500).

As added by Acts 1981, P.L.101, SEC.1. Amended by Acts 1982, P.L.1, SEC.19; P.L.12-1992, SEC.44; P.L.170-2002, SEC.41; P.L.119-2012, SEC.64.

IC 6-9-15-2

Board of managers

Sec. 2. (a) There is created a seven (7) member board of managers (referred to as the "board" in this chapter) whose purpose is to promote the development and growth of the convention activity, tourism and industry in the county.

(b) The board of county commissioners, by majority vote, shall appoint three (3) members of the board, one (1) of whom must be engaged in the lodging industry in the county, one (1) of whom must be a county commissioner in the county, and one (1) of whom must be a member of a chamber of commerce in the county. The city council of the county's largest city according to the last preceding United States decennial census shall, by majority vote, appoint three (3) members of the board, one (1) of whom must be engaged in the lodging industry in the county, one (1) of whom must be engaged in the travel industry in the county, and one (1) of whom must be a member of the common council of the county's largest city. The mayor of the city having the largest population in the county according to the last preceding United States decennial census shall appoint one (1) member who must be a member of the county's business community.

(c) All terms of office begin on January 1 and end on December 31. Members of the board appointed by the county commissioners serve one (1) year terms, and the other members of the board serve two (2) year terms. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A board member may be removed for cause by his appointing authority.

(e) Members of the board may not receive a salary or reimbursement for necessary expenses incurred in the performance of their respective duties.

(f) Each board member, before entering his duties, shall take an oath of office in the usual form, to be indorsed upon his certificate of appointment, which shall be promptly filed with the clerk of the circuit court of his county of residence.

As added by Acts 1981, P.L.101, SEC.1.

IC 6-9-15-3
Meetings; organization; rules and regulations; quorum; vote necessary

Sec. 3. After the first day of January each year, the board shall meet for the purpose of organization. They shall elect one (1) of their members to serve as president, another to serve as vice president, another to serve as secretary, and another to serve as treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. The members shall be authorized to adopt such bylaws and rules and regulations as they deem necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the funds and the property entrusted to their care. A majority of the members of the board constitutes a quorum, and the concurrence of a majority of the members of the board is necessary to authorize any action.

As added by Acts 1981, P.L.101, SEC.1.

IC 6-9-15-4
Disposition of funds

Sec. 4. All funds coming into possession of the board shall be deposited, held, secured or invested, and paid in accordance with the general laws of the state relating to the handling of public funds. The handling and expenditure of funds coming into possession of the board is subject to audit and supervision by the state board of accounts.

As added by Acts 1981, P.L.101, SEC.1.

IC 6-9-15-5
Powers of board

Sec. 5. The board may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the board deems necessary and desirable;
(2) sue and be sued;
(3) enter into contracts and agreements;
(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes; and
(5) receive and approve, alter, or reject requests and proposals for funding by organizations.

As added by Acts 1981, P.L.101, SEC.1.

IC 6-9-15-6
Tax on lodging income

Sec. 6. (a) The county council may impose a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodging, or accommodations in any hotel, motel, inn, tourist camp, or tourist cabin located in the county. However, the tax may not be imposed on

the renting or furnishing of:

(1) campsites at a state or federal park or forest;

(2) rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more; or

(3) any room, lodging, or accommodations in a university or college residence hall to a student participating in a course of study for which the student receives college credit from a college or university located in the county.

(b) The tax shall be imposed at the rate of four percent (4%) on the gross income derived from lodging income only. The county council may increase the tax rate to five percent (5%). The tax is in addition to the state gross retail tax imposed on such persons by IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" have the same meaning in this section as they have in IC 6-2.5, except that "person" does not include state supported educational institutions.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as the department of state revenue may by rule determine.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

As added by Acts 1981, P.L.101, SEC.1. Amended by P.L.110-1987, SEC.2; P.L.108-1987, SEC.14; P.L.67-1997, SEC.15.

IC 6-9-15-7

Convention and tourism fund

Sec. 7. The county treasurer shall establish a convention and tourism fund, and shall deposit in the fund all money he receives under section 6 of this chapter. Money in the fund shall be expended by the board to develop and promote the convention and tourism industry.

As added by Acts 1981, P.L.101, SEC.1.

IC 6-9-15-8

Transfer and use of funds; offenses

Sec. 8. (a) A person who approves the transfer of funds to any person not qualified under this chapter for that transfer, or approves a transfer for a purpose not permitted under this chapter, commits a Level 6 felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses the funds for any purpose other than a proposal approved by the board commits a Level 6 felony.

As added by Acts 1981, P.L.101, SEC.1. Amended by P.L.158-2013, SEC.115.

IC 6-9-16

Chapter 16. Howard County Innkeeper's Tax

IC 6-9-16-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000).

As added by Acts 1981, P.L.102, SEC.1. Amended by Acts 1982, P.L.1, SEC.20; P.L.12-1992, SEC.45; P.L.170-2002, SEC.42.

IC 6-9-16-2

Convention and visitor commission

Sec. 2. (a) There is created a seven (7) member convention and visitor commission (referred to as the "commission" in this chapter), whose purpose it is to promote the development and growth of the convention and visitor industry in the county.

(b) The county commissioners, by majority vote, shall appoint four (4) members of the commission. The county commissioners shall appoint one (1) member who is engaged in the hotel or motel business in the county, one (1) member who is engaged in the restaurant business in the county, one (1) member who is engaged in the hospitality and visitor industry in the county, and one (1) member at large. The mayor of the municipality with the largest population in the county shall appoint three (3) members of the commission, one (1) of whom is engaged in the hotel, motel, or restaurant business in the county, one (1) of whom is engaged in the hospitality and visitor industry in the county, and one (1) of whom is engaged in business or industry within the county.

(c) All terms of office begin on January 1 and end on December 31. Members of the commission appointed by the county commissioners serve terms of two (2) years, and members appointed by the mayor of the largest municipality in the county serve terms of one (1) year. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A member of the commission may be removed for cause by his appointing authority.

(e) Members of the commission may not receive a salary. However, commission members shall receive reimbursement for necessary expenses, but only when the necessary expenses are incurred in the performance of their respective duties.

As added by Acts 1981, P.L.102, SEC.1. Amended by P.L.69-1997, SEC.1.

IC 6-9-16-3

Powers of commission

Sec. 3. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any

public or private source, under terms and conditions which the commission deems necessary and desirable;
(2) sue and be sued;
(3) enter into contracts and agreements;
(4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;
(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under clause (6) of this section;
(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund required by section 7 of this chapter, to any Indiana nonprofit corporation for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events, including any related activity authorized by ordinance adopted by the county legislative body, such as the acquisition, construction, improvement, maintenance, financing, or refinancing of land, facilities, capital improvements, or equipment for conventions, trade shows, visitors, or special events; and
(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) A majority of the members of the commission shall constitute a quorum for the transaction of business, and the concurrence of a majority of the members of the commission shall be necessary to authorize any action.

As added by Acts 1981, P.L.102, SEC.1. Amended by P.L.69-1997, SEC.2.

IC 6-9-16-4
Expenses; payment; budget; expenditures

Sec. 4. All expenses of the commission shall be paid from the fund required by section 7 of this chapter. The commission shall annually prepare a budget taking into consideration the recommendations made by a not-for-profit corporation qualifying under section 3 of this chapter and shall submit it to the county council for its review and approval. No expenditure shall be made unless it is pursuant to an appropriation made by the county council in the manner provided by law.

As added by Acts 1981, P.L.102, SEC.1.

IC 6-9-16-5
Report by recipients of funds

Sec. 5. Any not-for-profit corporation that receives funds under this chapter shall make a financial or other report upon request of the commission.

As added by Acts 1981, P.L.102, SEC.1.

IC 6-9-16-6
Tax on lodging income

Sec. 6. (a) The county council may levy a tax on every person

engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings or accommodations in any commercial hotel, motel, inn, tourist camp, or tourist cabin, except state camping facilities, located in the county. The tax may be imposed only on the gross retail income derived from lodging income at any rate not to exceed:

(1) five percent (5%) before January 1, 2014; and

(2) four percent (4%) after December 31, 2013.

The tax must be calculated in addition to the state gross retail tax imposed on those persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax must be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(c) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" have the same meaning in this section as they have in IC 6-2.5, except that "person" shall not include state supported educational institutions. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule or regulation, determine.

(d) If the tax is paid to the department of state revenue, the amounts received from the tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(e) The tax imposed under subsection (a) does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more.

As added by Acts 1981, P.L.102, SEC.1. Amended by P.L.108-1987, SEC.15; P.L.69-1997, SEC.3; P.L.67-1997, SEC.16; P.L.253-1997(ss), SEC.7; P.L.167-2006, SEC.2.

IC 6-9-16-7

Convention and visitor promotion fund

Sec. 7. The county treasurer shall establish a convention and visitor promotion fund. He shall deposit in the fund all money he receives under section 6 of this chapter. Money in the fund may be expended only as provided in this chapter.

As added by Acts 1981, P.L.102, SEC.1.

IC 6-9-16-8

Transfer and use of funds; offenses

Sec. 8. (a) A member of the commission who knowingly approves the transfer of funds to any person not qualified under this chapter for such a transfer, or approves a transfer for a purpose not permitted under this chapter, commits a Level 6 felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses the funds for any purpose other than a proposal approved by the commission commits a Level 6 felony.

As added by Acts 1981, P.L.102, SEC.1. Amended by P.L.158-2013, SEC.116.

IC 6-9-17

Chapter 17. Madison County Innkeeper's Tax

IC 6-9-17-1

Applicability of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred twenty-five thousand (125,000) but less than one hundred thirty-five thousand (135,000).

As added by Acts 1982, P.L.68, SEC.1. Amended by P.L.12-1992, SEC.46; P.L.170-2002, SEC.43; P.L.119-2012, SEC.65.

IC 6-9-17-2

Definitions

Sec. 2. As used in this chapter:

"Executive" and "fiscal body" have the same meanings that are prescribed by IC 36-1-2.

"Gross retail income" and "person" have the same meanings that are prescribed by IC 6-2.5-1.

As added by Acts 1982, P.L.68, SEC.1.

IC 6-9-17-3

Tax on lodgings; levy; exemptions; rate; payment; administration

Sec. 3. (a) The county fiscal body may pass an ordinance to levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) boat motel;
(4) inn;
(5) college or university memorial union;
(6) college or university residence hall or dormitory; or
(7) tourist cabin;

in the county.

(b) The tax does not apply to gross income received in a transaction in which:

(1) a person rents a campsite at a state or federal park or forest;
(2) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
(3) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax shall be levied at the rate of five percent (5%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The tax shall be reported on forms approved by the county treasurer and shall be paid monthly to the county treasurer not more than ten (10) days after the end of the month in which the tax is collected. The provisions of IC 6-2.5 relating to rights, duties,

liabilities, procedures, penalties, exemptions, and definitions apply to the imposition of the tax imposed by this section. The county treasurer is responsible for administration of the tax. All provisions of IC 6-8.1 apply to the county treasurer with respect to the tax imposed by this section in the same manner that they apply to the department of state revenue with respect to listed taxes under IC 6-8.1-1-1.
As added by Acts 1982, P.L.68, SEC.1. Amended by P.L.75-1986, SEC.1; P.L.76-1988, SEC.1; P.L.67-1997, SEC.17.

IC 6-9-17-4
Convention and visitor promotion fund

Sec. 4. When the tax is levied under section 3 of this chapter, the county treasurer shall establish a convention and visitor promotion fund. He shall deposit in this fund all amounts he receives under that section. Money in this fund may be expended only to promote and encourage conventions and visitors within the county.
As added by Acts 1982, P.L.68, SEC.1.

IC 6-9-17-5
Visitor and convention commission; purpose; commission members, terms, removal, compensation, and oaths of office; meetings; officers; quorum; majority concurrence

Sec. 5. (a) When the tax is levied under section 3 of this chapter, there is created a seven (7) member visitor and convention commission (referred to as the commission in this chapter) to promote the development and growth of the convention and visitor industry in the county.

(b) The executive of the city with the largest population in the county shall appoint five (5) members of the commission as follows:

(1) Two (2) members must be engaged in the lodging business in the county.

(2) Two (2) members must be engaged in business in the county.

(3) One (1) member must be engaged in the tourism and hospitality industry.

(c) The county fiscal body shall appoint two (2) members of the commission. Each member must be engaged in business in the county.

(d) All terms of office of commission members begin on January 1. Members of the commission serve terms of two (2) years. A member whose term expires may be reappointed to serve another term. If an initial appointment is not made by February 1 or a vacancy is not filled within thirty (30) days, the commission shall appoint a member by majority vote to serve for the remainder of the term.

(e) A member of the commission may be removed for cause by his appointing authority.

(f) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for

necessary expenses incurred in the performance of their respective duties.

(g) Each commission member, before taking office, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(h) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

As added by Acts 1982, P.L.68, SEC.1. Amended by P.L.75-1986, SEC.2; P.L.166-2014, SEC.35.

IC 6-9-17-6

Powers of commission

Sec. 6. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established under section 4 of this chapter, to any Indiana not-for-profit corporation for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events in the county;

(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) A majority of the commission constitutes a quorum for the transaction of business, and the concurrence of a majority of the commission is necessary to authorize any action.

(c) All expenses of the commission shall be paid from the fund established under section 4 of this chapter.

As added by Acts 1982, P.L.68, SEC.1.

IC 6-9-17-7

Deposit and payment of funds; audits

Sec. 7. All money coming into possession of the commission shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and

expenditure of money coming into possession of the commission is subject to audit and supervision by the state board of accounts.
As added by Acts 1982, P.L.68, SEC.1.

IC 6-9-17-8
Violations

Sec. 8. (a) A member of the commission who knowingly:

(1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Level 6 felony.
As added by Acts 1982, P.L.68, SEC.1. Amended by P.L.158-2013, SEC.117.

IC 6-9-18

Chapter 18. Uniform County Innkeeper's Tax

IC 6-9-18-1

Application of chapter

Sec. 1. This chapter applies to any county that is not required to impose an innkeeper's tax under any other chapter of this article. However, a county that imposes an innkeeper's tax under this chapter may not also impose an innkeeper's tax under another chapter.

As added by Acts 1982, P.L.1, SEC.21. Amended by P.L.55-1984, SEC.5; P.L.74-1986, SEC.6; P.L.32-1986, SEC.3.

IC 6-9-18-2

Definitions

Sec. 2. As used in this chapter:

"Executive" and "fiscal body" have the same meanings that are prescribed by IC 36-1-2.

"Gross retail income" and "person" have the same meanings that are prescribed by IC 6-2.5-1.

As added by Acts 1982, P.L.1, SEC.21.

IC 6-9-18-3

Tax on lodging income

Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) boat motel;
(4) inn;
(5) college or university memorial union;
(6) college or university residence hall or dormitory; or
(7) tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not

more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

As added by Acts 1982, P.L.1, SEC.21. Amended by P.L.108-1987, SEC.16; P.L.67-1997, SEC.18.

IC 6-9-18-4

Convention, visitor, and tourism promotion fund

Sec. 4. (a) If a tax is levied under section 3 of this chapter, the county treasurer shall establish a convention, visitor, and tourism promotion fund. He shall deposit in this fund all amounts he receives under that section.

(b) In a county in which a commission has been established under section 5 of this chapter, the county auditor shall issue a warrant directing the county treasurer to transfer money from the convention, visitor, and tourism promotion fund to the commission's treasurer if the commission submits a written request for the transfer.

(c) Money in a convention, visitor, and tourism promotion fund, or money transferred from such a fund under subsection (b), may be expended only to promote and encourage conventions, visitors, and tourism within the county. Expenditures under this subsection may include, but are not limited to, expenditures for advertising, promotional activities, trade shows, special events, and recreation.

(d) If before July 1, 1997, a county issues a bond with a pledge of revenues from the tax imposed under section 3 of this chapter, the county shall continue to expend money from the fund for that purpose until the bond is paid.

As added by Acts 1982, P.L.1, SEC.21. Amended by P.L.97-1983, SEC.1; P.L.55-1984, SEC.6; P.L.67-1997, SEC.19; P.L.46-1998, SEC.7.

IC 6-9-18-5

Commission for promotion of convention, visitor, and tourism industry; creation; membership; organization

Sec. 5. (a) If a tax is levied under section 3 of this chapter, the county executive shall create a commission to promote the development and growth of the convention visitor, and tourism industry in the county. If two (2) or more adjoining counties desire to establish a joint commission, the counties shall enter into an agreement under IC 36-1-7.

(b) The county executive shall determine the number of members, which must be an odd number, to be appointed to the commission. A simple majority of the members must be:

(1) engaged in a convention, visitor, or tourism business; or

(2) involved in or promoting conventions, visitors, or tourism.

If available and willing to serve, at least two (2) of the members must be engaged in the business of renting or furnishing rooms, lodging, or accommodations (as described in section 3 of this chapter). Not more than one (1) member may be affiliated with the same business entity. No more than a simple majority of the members may be affiliated with the same political party. Each member must reside in the county. The county executive shall also determine who will make the appointments to the commission, except that the executive of the largest municipality in the county shall appoint a number of the members of the commission, which number shall be in the same ratio to the total size of the commission (rounded off to the nearest whole number) that the population of the largest municipality bears to the total population of the county.

(c) This subsection applies to a county in which a tax imposed under this chapter becomes effective after December 31, 1989. If a municipality other than the largest municipality in the county collects fifty percent (50%) or more of the tax revenue collected under this chapter during the three (3) month period following imposition of the tax, the executive of the municipality shall appoint the same number of members to the commission that the executive of the largest municipality in the county appoints under subsection (b).

(d) Except as provided in subsection (c), all terms of office of commission members begin on January 1. Initial appointments must be for staggered terms, with subsequent appointments for two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an initial appointment is not made by February 1 or a vacancy is not filled within thirty (30) days, the commission shall appoint a member by majority vote.

(e) A member of the commission may be removed for cause by his appointing authority.

(f) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(g) Each commission member, before entering his duties, shall take an oath of office in the usual form, to be endorsed upon his certificate of appointment and promptly filed with the clerk of the

circuit court of the county.

(h) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

As added by Acts 1982, P.L.1, SEC.21. Amended by P.L.97-1983, SEC.2; P.L.62-1990, SEC.7; P.L.67-1997, SEC.20.

IC 6-9-18-6

Powers of commission; expenditures

Sec. 6. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established under section 4(a) of this chapter, or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter, to any Indiana not-for-profit corporation to promote and encourage conventions, visitors, or tourism in the county; and

(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) All expenses of the commission shall be paid from the fund established under section 4(a) of this chapter or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6) and submit it to the county fiscal body for its review and approval. An expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county fiscal body in the manner provided by law.

As added by Acts 1982, P.L.1, SEC.21. Amended by P.L.55-1984, SEC.7; P.L.67-1997, SEC.21.

IC 6-9-18-7

Disposition of funds; audit

Sec. 7. All money coming into possession of the commission shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and

expenditure of money coming into possession of the commission is subject to audit and supervision by the state board of accounts.
As added by Acts 1982, P.L.1, SEC.21.

IC 6-9-18-8
Unauthorized transfer or use of funds; offenses

Sec. 8. (a) A member of the commission who knowingly:

(1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Level 6 felony.
As added by Acts 1982, P.L.1, SEC.21. Amended by P.L.158-2013, SEC.118.

IC 6-9-19

Chapter 19. Elkhart County Innkeeper's Tax

IC 6-9-19-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000).

As added by P.L.97-1983, SEC.3. Amended by P.L.12-1992, SEC.47; P.L.170-2002, SEC.44; P.L.119-2012, SEC.66.

IC 6-9-19-2

Definitions

Sec. 2. As used in this chapter:

"Fiscal body" and "executive" have the same meanings that are prescribed by IC 36-1-2.

"Gross retail income" and "person" have the same meanings that are prescribed by IC 6-2.5-1.

As added by P.L.97-1983, SEC.3. Amended by P.L.73-1999, SEC.1.

IC 6-9-19-3

Tax; authorization; exemptions; rate; payment and collection

Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) inn; or
(4) tourist cabin;

that has thirty (30) or more rooms for rent and is located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or
(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state

gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the taxes the department of state revenue receives under this section during a month shall be paid, by the end of the next succeeding month, to the county treasurer upon warrants issued by the auditor of state.

As added by P.L.97-1983, SEC.3. Amended by P.L.108-1987, SEC.17; P.L.62-1990, SEC.8; P.L.67-1997, SEC.22.

IC 6-9-19-4

Convention and visitor promotion fund

Sec. 4. If a tax is levied under section 3 of this chapter, the county treasurer shall establish a convention and visitor promotion fund. He shall deposit in this fund all amounts he receives under that section. Money in this fund may be expended only to promote and solicit conventions, trade shows, and visitors within the county. Money in this fund shall not be expended, directly or indirectly, for any type of capital improvement nor to finance any type of tourist attraction.

As added by P.L.97-1983, SEC.3.

IC 6-9-19-5

Commission for promotion of convention and visitor industry; creation; organization

Sec. 5. (a) If a tax is levied under section 3 of this chapter, the county executive shall create a commission to promote the development and growth of the convention and visitor industry in the county.

(b) The commission consists of seven (7) members. The county executive shall appoint all members to the commission. Four (4) members must be actively engaged in the management of a hotel or motel in the county. The remainder of the commission members must be members, officers, or directors of a chamber of commerce within the county or of other Indiana not-for-profit corporations organized to promote and solicit conventions, trade shows, or visitors in the county.

(c) All terms of office of commission members begin on January 1. Initial appointments must be for staggered terms, with subsequent appointments for two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the county executive shall appoint a qualified person, as provided in

subsection (b), to serve for the remainder of the term.

(d) A member of the commission may be removed for cause by the county executive.

(e) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(f) Each commission member, before entering his duties, shall take an oath of office in the usual form, to be endorsed upon his certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(g) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

As added by P.L.97-1983, SEC.3. Amended by P.L.73-1999, SEC.2.

IC 6-9-19-6

Commission; powers; payment of expenses

Sec. 6. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money, quarterly or more frequently, from the fund established under section 4 of this chapter to any Indiana not-for-profit corporation to promote and solicit conventions, trade shows, or visitors in the county; and

(7) require financial or other reports for any corporation that receives funds under this chapter.

(b) All expenses of the commission shall be paid from the fund established under section 4 of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6), and submit it to the county fiscal body for its review and approval. An expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county fiscal body in the manner provided by law.

As added by P.L.97-1983, SEC.3. Amended by P.L.62-1990, SEC.9.

IC 6-9-19-7
Commission; handling and expenditure of money

Sec. 7. All money coming into possession of the commission shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money coming into possession of the commission is subject to audit and supervision by the state board of accounts.
As added by P.L.97-1983, SEC.3.

IC 6-9-19-8
Offenses

Sec. 8. (a) A member of the commission who knowingly:

(1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Level 6 felony.
As added by P.L.97-1983, SEC.3. Amended by P.L.158-2013, SEC.119.

IC 6-9-20

Chapter 20. Vanderburgh County Food and Beverage Tax

IC 6-9-20-0.3

Legalization of actions taken by county fiscal body determining to continue excise tax

Sec. 0.3. Any action taken by a county fiscal body in determining that an excise tax should be continued is legalized and validated, if the action would have been valid under section 3 of this chapter, as amended by P.L.28-1993.

As added by P.L.220-2011, SEC.167.

IC 6-9-20-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred seventy-five thousand (175,000) but less than one hundred eighty-five thousand (185,000).

As added by P.L.83-1985, SEC.1. Amended by P.L.12-1992, SEC.48; P.L.170-2002, SEC.45; P.L.119-2012, SEC.67.

IC 6-9-20-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.83-1985, SEC.1.

IC 6-9-20-3

Imposition of tax by ordinance

Sec. 3. (a) The fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

(d) Except as provided in subsection (e), if the county fiscal body determines that the tax under this chapter should be continued in order to finance improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities, the tax continues until January 1 of the year following the year in which the last of the bonds issued to finance improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities, and the last of any bonds issued to refund those bonds, have been completely paid or defeased as to both principal and interest. An action to contest the validity of the determination under this subsection must be instituted not more than thirty (30) days after the determination.

(e) Notwithstanding subsection (d), if the county fiscal body determines that the tax under this chapter should be continued to finance the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena activities, the tax does not terminate as specified in subsection (d) but continues until January 1 of the year following the year in which the last of the bonds issued to finance the acquisition, construction, and equipping of the arena and other facilities that serve or support the arena activities, and the last of any bonds issued to refund those bonds, have been completely paid or defeased as to both principal and interest. An action to contest the validity of the determination under this subsection must be instituted not more than thirty (30) days after the determination.

As added by P.L.83-1985, SEC.1. Amended by P.L.28-1993, SEC.11; P.L.99-1995, SEC.6; P.L.69-1996, SEC.1; P.L.176-2009, SEC.8.

IC 6-9-20-4
Taxable transactions; exemptions

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;
(2) in the county in which the tax is imposed; and
(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include, but are not limited to, transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;
(2) food sold in a heated state or heated by a retail merchant;
(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.83-1985, SEC.1. Amended by P.L.257-2003, SEC.34.

IC 6-9-20-5
Rate of tax

Sec. 5. The county food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.
As added by P.L.83-1985, SEC.1.

IC 6-9-20-6
Procedures for imposition, payment, and collection; returns
Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.
As added by P.L.83-1985, SEC.1.

IC 6-9-20-7
Repealed
(Repealed by P.L.176-2009, SEC.31.)

IC 6-9-20-7.5
Payment to county treasurer and Evansville controller
Sec. 7.5. If the county fiscal body has determined to continue the tax to finance improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities or to finance the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena activities, the amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the county treasurer under section 8.5 of this chapter or the fiscal officer of the largest municipality in the county under section 9.5 of this chapter upon warrants issued by the auditor of state.
As added by P.L.99-1995, SEC.8. Amended by P.L.69-1996, SEC.2; P.L.176-2009, SEC.9.

IC 6-9-20-8
Repealed
(Repealed by P.L.176-2009, SEC.31.)

IC 6-9-20-8.5
Auditorium fund; deposits; use of fund
Sec. 8.5. (a) If the tax imposed under section 3 of this chapter is continued to finance improvements to the county auditorium or auditorium renovation resulting in a new convention center and related parking facilities, the county treasurer shall establish an auditorium fund.

(b) Except as provided in sections 8.8 and 9.5 of this chapter, the county treasurer shall deposit in this fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.

(d) Money in the fund shall be used by the county for the financing, construction, renovation, improvement, and equipping of a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities.

As added by P.L.99-1995, SEC.10. Amended by P.L.69-1996, SEC.3; P.L.176-2009, SEC.10.

IC 6-9-20-8.7

Bonds, leases, or other obligations; validity

Sec. 8.7. (a) The county may issue bonds, enter into leases, or incur other obligations to:

(1) pay any costs associated with the financing, construction, renovation, improvement, and equipping of a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities; or

(2) refund bonds issued or other obligations incurred under this chapter so long as any bonds issued or other obligations incurred to refund bonds or retire other obligations do not extend the date that the previous bonds or other obligations will be completely paid as to principal and interest.

(b) Bonds issued or other obligations incurred under this section:

(1) are payable solely from money provided in this chapter;

(2) must be issued in the manner prescribed by IC 36-2-6-18 through IC 36-2-6-20 before January 1, 2002;

(3) may not have a term that is longer than twenty-five (25) years after the date construction, renovation, or improvements on the county auditorium or auditorium renovation resulting in a new convention center and related parking facilities are completed; and

(4) may, in the discretion of the county, be sold at a negotiated sale at a price to be determined by the county or in accordance with IC 5-1-11 and IC 5-3-1.

(c) Leases entered into under this section:

(1) may be for a term not to exceed twenty-five (25) years;

(2) may provide for payments from revenues under this chapter, any other revenues available to the county, or any combination of these sources;

(3) may provide that payments by the county to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;

(4) must be based upon the value of the facilities leased; and

(5) may not create a debt of the county for purposes of the Constitution of the State of Indiana.

(d) A lease may be entered into by the county executive only after

a public hearing at which all interested parties are provided the opportunity to be heard. After the public hearing, the executive may approve the execution of the lease on behalf of the county only if the executive finds that the service to be provided throughout the life of the lease will serve the public purpose of the county and is in the best interests of its residents. A lease approved by the executive must also be approved by an ordinance of the county fiscal body.

(e) An action to contest the validity of bonds issued or leases entered into under this section must be brought not later than thirty (30) days after the adoption of a bond ordinance or commissioners' action approving the execution of the lease.

As added by P.L.99-1995, SEC.11. Amended by P.L.85-1995, SEC.37; P.L.69-1996, SEC.4.

IC 6-9-20-8.8

Arena fund; deposits; use of excess revenue for arena fund

Sec. 8.8. (a) If the tax imposed under section 3 of this chapter is continued to finance the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena activities, the county treasurer shall determine whether there is any food and beverage tax revenue under this chapter that is not required to be deposited and held to:

(1) pay any debt service on bonds issued or rentals on leases entered into by January 1, 2009, for which a pledge of revenues of the food and beverage tax has been made by the county as set forth in section 8.7 of this chapter; or

(2) provide for a debt service reserve related to the bonds or leases described in subdivision (1).

(b) Before the twentieth day of each month, the county treasurer shall determine whether there is excess food and beverage tax revenue under subsection (a) and by the last day of that month transfer the excess food and beverage tax revenue to the fiscal officer of the most populated municipality in the county. The municipal fiscal officer shall deposit the excess food and beverage tax revenue in a municipal arena fund. Any money earned from the investment of money in the municipal arena fund becomes a part of the municipal arena fund. Money in the municipal arena fund shall be used by the most populated municipality in the county for financing the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena activities. This money shall be retained in the municipal arena fund until applied or transferred to another fund pledged to the payment of debt service on bonds, rent on leases, or other obligations incurred to finance the facilities.

As added by P.L.176-2009, SEC.11.

IC 6-9-20-8.9

Arena fund; deposits; use of fund for arena financing

Sec. 8.9. (a) If the tax imposed under section 3 of this chapter is continued to finance the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena activities,

the most populated municipality in the county may issue bonds, enter into leases, or incur other obligations to:

(1) pay any costs associated with the financing, acquisition, construction, and equipping of the arena and other facilities that serve or support the arena activities; or

(2) refund bonds issued or other obligations incurred under this chapter so long as any bonds issued or other obligations incurred to refund bonds or retire other obligations do not extend the date when the previous bonds or other obligations will be completely paid as to principal and interest.

(b) Bonds issued or other obligations incurred under this section:

(1) are payable from money provided in this chapter, any other revenues available to the municipality, or any combination of these sources;

(2) must be issued in the manner prescribed by IC 36-4-6-19 through IC 36-4-6-20;

(3) may not have a term ending more than thirty (30) years after the first February 1 following the date on which construction of the arena and other facilities that serve or support the arena activities is estimated to be completed;

(4) may be payable at any regular designated intervals and may be paid in unequal amounts if the municipality reasonably expects to pay the debt service from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 (even if the municipality has pledged to levy property taxes to pay the debt service if those other funds are insufficient); and

(5) may, in the discretion of the municipality, be sold at a negotiated sale at a price to be determined by the municipality or in accordance with IC 5-1-11 and IC 5-3-1.

(c) Leases entered into under this section:

(1) may be for a term ending not later than thirty (30) years after the first February 1 following the date on which construction of the arena and other facilities that serve or support the arena activities is estimated to be completed;

(2) may be payable at any regular designated intervals and may be paid in unequal amounts if the municipality reasonably expects to pay the lease rentals from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 (even if the municipality has pledged to levy property taxes to pay the lease rentals if those other funds are insufficient);

(3) may provide for payments from revenues under this chapter, any other revenues available to the municipality, or any combination of these sources;

(4) may provide that payments by the municipality to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;

(5) must be based upon the value of the facilities leased; and

(6) may not create a debt of the municipality for purposes of the Constitution of the State of Indiana.

(d) A lease may be entered into by the municipal executive after a public hearing of the municipal fiscal body at which all interested parties are provided the opportunity to be heard. After the public hearing, the municipal executive may approve the execution of the lease on behalf of the municipality only if:

(1) the municipal executive finds that the service to be provided throughout the life of the lease will serve the public purpose of the municipality and is in the best interests of its residents; and

(2) the lease is approved by an ordinance of the municipal fiscal body.

(e) An action to contest the validity of bonds issued or leases entered into under this section must be brought not later than thirty (30) days after the adoption of a bond ordinance or the municipal executive's action approving the execution of the lease.

(f) Notwithstanding the provisions of this chapter or any other law, instead of issuing bonds, entering into leases, or incurring obligations in whole or in part under this chapter, the most populated municipality in the county may cause bonds to be issued, leases to be entered into, or obligations to be incurred under this subsection to finance the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena. The bonds, leases, or obligations:

(1) must be issued, entered into, or incurred by any special taxing district, agency, department, or instrumentality of or in the municipality, under any other law by which bonds may be issued, leases may be entered into, or obligations incurred;

(2) must be payable from money provided under this chapter, from any other revenues available to the municipality or any special taxing district, agency, department, or instrumentality of or in the municipality, or any combination of these sources;

(3) must have a term ending not later than thirty (30) years after the first February 1 following the date on which construction of the arena and other facilities that serve or support the arena activities is estimated to be completed; and

(4) may be payable at any regular designated intervals and may be paid in unequal amounts if the municipality, special taxing district, agency, department, or instrumentality of or in the municipality reasonably expects to pay the debt service or lease rentals from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 (even if the municipality or any special taxing district, agency, department, or instrumentality of or in the municipality has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient).

As added by P.L.176-2009, SEC.12.

IC 6-9-20-9

Bonds, leases, or other obligations; covenants of general assembly

Sec. 9. With respect to bonds, leases, or other obligations for which a pledge of revenues of the food and beverage tax imposed

under this chapter has been made by the county as set forth in section 8.7 or 8.9 of this chapter, and bonds issued by a lessor that are payable from lease rentals, the general assembly covenants with the county, the most populated municipality in the county, and the purchasers or owners of the bonds or other obligations described in this subdivision that this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the food and beverage tax imposed by this chapter as long as the principal of any bonds, the interest on any bonds, or the lease rentals due under any lease are unpaid.

As added by P.L.83-1985, SEC.1. Amended by P.L.99-1995, SEC.12; P.L.176-2009, SEC.13.

IC 6-9-20-9.5

Arena fund; deposits; use of fund for arena financing

Sec. 9.5. If:

(1) the county treasurer has certified to the treasurer of state that:

(A) the last of the bonds issued to finance the improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities; and

(B) the last of any bonds issued to refund the bonds referred to in clause (A);

have been completely paid or defeased as to both principal and interest; and

(2) the county fiscal body has made a determination to continue the tax to finance the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena activities;

the amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the fiscal officer of the most populated municipality in the county upon warrants issued by the auditor of state. The fiscal officer shall deposit any amounts received under this section in the municipal arena fund.

As added by P.L.176-2009, SEC.14.

IC 6-9-20-10

Repealed

(Repealed by P.L.99-1995, SEC.14.)

IC 6-9-20-11

County auditorium or auditorium renovation; financing and purpose

Sec. 11. The financing of:

(1) improvements to a county auditorium or auditorium renovation resulting in a new convention center and related parking facilities; and

(2) the acquisition, construction, and equipping of an arena and other facilities that serve or support the arena activities;

serves a public purpose and is of benefit to the general welfare of the

county by enhancing cultural activities and improving the quality of life in the county and encouraging investment, economic growth, and diversity.

As added by P.L.99-1995, SEC.13. Amended by P.L.69-1996, SEC.5; P.L.176-2009, SEC.15.

IC 6-9-21

Chapter 21. Delaware County Food and Beverage Tax

IC 6-9-21-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred fifteen thousand (115,000) but less than one hundred twenty-five thousand (125,000).

As added by P.L.76-1986, SEC.1. Amended by P.L.12-1992, SEC.49; P.L.170-2002, SEC.46; P.L.119-2012, SEC.68.

IC 6-9-21-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.76-1986, SEC.1.

IC 6-9-21-3

Adoption of ordinance

Sec. 3. (a) The fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

As added by P.L.76-1986, SEC.1.

IC 6-9-21-4

Taxable transactions; exceptions

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the county in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart

3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.76-1986, SEC.1. Amended by P.L.257-2003, SEC.35.

IC 6-9-21-5

Tax rate; gross retail income

Sec. 5. The county food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.76-1986, SEC.1.

IC 6-9-21-6

Imposition, payment, and collection of tax; filing of return

Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.76-1986, SEC.1.

IC 6-9-21-7

Civic center authority; appointment of members; party affiliation; residency; term; vacancy; vote

Sec. 7. (a) If a tax is levied under section 3 of this chapter, the county fiscal body shall establish a civic center authority, composed of nine (9) members. The nine (9) members shall be appointed as follows:

(1) Four (4) members appointed by the executive of the largest municipality in the county.

(2) Three (3) members appointed by the county executive body.

(3) Two (2) members appointed by the county fiscal body.

(b) No more than five (5) members of the civic center authority may be affiliated with the same political party. All members must reside in the county.

(c) The term of appointment on the authority is two (2) years.

However, when the initial appointments are made, each appointing authority shall appoint one (1) member for a one (1) year term and the remaining members for two (2) year terms. Subsequent appointments shall be for two (2) years. A vacancy on the authority shall be filled for the unexpired term by the authority that made the prior appointment.

(d) The affirmative vote of at least five (5) members of the authority is required for the authority to take an action.

As added by P.L.76-1986, SEC.1.

IC 6-9-21-8

Payment of tax receipts to civic center authority

Sec. 8. The amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the civic center authority established in the county upon warrants issued by the auditor of state.

As added by P.L.76-1986, SEC.1.

IC 6-9-21-9

Food and beverage tax receipts fund

Sec. 9. (a) If a tax is imposed under section 3 of this chapter, the civic center authority shall establish a food and beverage tax receipts fund.

(b) The authority shall deposit in this fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.

(d) Money in this fund shall be used by the authority solely to finance, construct, improve, equip, operate, maintain, and promote the use of a civic center or to renovate, equip, operate, maintain, and promote the use of any existing structure that may be used as a civic center. The civic center authority is authorized to enter into lease or contractual arrangements, or both, with governmental, not-for-profit, or other private entities for the purpose of operating, maintaining, and promoting the use of a civic center.

As added by P.L.76-1986, SEC.1.

IC 6-9-22
Repealed

(Repealed by P.L.2-1989, SEC.56.)

IC 6-9-23
Repealed

(Repealed by P.L.176-2009, SEC.31.)

IC 6-9-24

Chapter 24. Nashville Food and Beverage Tax

IC 6-9-24-1

Application of chapter

Sec. 1. This chapter applies to the town of Nashville.

As added by P.L.111-1987, SEC.1. Amended by P.L.12-1992, SEC.51; P.L.170-2002, SEC.47; P.L.172-2011, SEC.109.

IC 6-9-24-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.111-1987, SEC.1.

IC 6-9-24-3

Ordinance imposing tax

Sec. 3. (a) The fiscal body of the municipality may adopt an ordinance to impose an excise tax, known as the municipal food and beverage tax, on those transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a fiscal body adopts an ordinance under subsection (a), the municipal food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

As added by P.L.111-1987, SEC.1.

IC 6-9-24-4

Taxable transactions; exemption

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the municipality in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne

illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The municipal food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.111-1987, SEC.1. Amended by P.L.257-2003, SEC.37.

IC 6-9-24-5

Rate of tax

Sec. 5. The municipal food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.111-1987, SEC.1.

IC 6-9-24-6

Collection of tax; returns

Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.111-1987, SEC.1.

IC 6-9-24-7

Payment of receipts to municipality

Sec. 7. The amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the municipality upon warrants issued by the auditor of state.

As added by P.L.111-1987, SEC.1.

IC 6-9-24-8

Food and beverage tax receipts fund

Sec. 8. (a) If a tax is imposed under section 3 of this chapter, the fiscal body of the municipality shall establish a food and beverage tax receipts fund.

(b) The fiscal officer of the municipality shall deposit in this fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.

(d) Money in this fund shall be used by the municipality to:

(1) finance, construct, improve, equip, operate, and maintain public parking and public restroom facilities;

(2) renovate, equip, operate, and maintain any structure that may be used as a public parking or public restroom facility; or

(3) finance, construct, improve, equip, operate, and maintain sidewalks and other streetscape improvements.

The municipality may enter into lease or contractual arrangements, or both, with governmental, not-for-profit, or other private entities to operate and maintain these facilities and improvements.

As added by P.L.111-1987, SEC.1. Amended by P.L.65-2013, SEC.1.

IC 6-9-24-9

Termination dates

Sec. 9. (a) If the tax is imposed by a municipality under this chapter, the tax terminates January 1, 2022.

(b) This chapter expires July 1, 2022.

As added by P.L.111-1987, SEC.1. Amended by P.L.184-2006, SEC.9; P.L.172-2011, SEC.110.

IC 6-9-25

Chapter 25. Henry County Food and Beverage Tax

IC 6-9-25-1

Application of chapter

Sec. 1. (a) This chapter applies to a county having a population of more than forty-eight thousand (48,000) but less than fifty thousand (50,000).

(b) The county described in subsection (a) is unique because:

(1) governmental entities and nonprofit organizations in the county have successfully undertaken cooperative efforts to promote tourism and economic development; and

(2) several unique tourist attractions are located in the county, including:

(A) the Indiana basketball hall of fame;

(B) the Wilbur Wright birthplace memorial; and

(C) a historic gymnasium.

(c) The presence of these unique attractions in the county has:

(1) increased the number of visitors to the county;

(2) generated increased sales at restaurants and other retail establishments selling food in the county; and

(3) placed increased demands on all local governments for services needed to support tourism and economic development in the county.

(d) The use of food and beverage tax revenues arising in part from the presence of the attractions identified in subsection (b)(2) to support tourism and economic development in the county permits governmental units in the county to diversify the revenue sources for which local government improvements and services are funded.

As added by P.L.380-1987(ss), SEC.7. Amended by P.L.12-1992, SEC.52; P.L.158-2005, SEC.1; P.L.119-2012, SEC.69.

IC 6-9-25-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.380-1987(ss), SEC.7.

IC 6-9-25-3

Ordinance imposing food and beverage tax; adoption; certified copy to commissioner of department of state revenue; effective date; prohibited imposition of tax

Sec. 3. (a) The fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after

the last day of the month that succeeds the month in which the ordinance was adopted.

(d) Notwithstanding any other law, the imposition of the tax under this chapter is prohibited upon the satisfaction by the county of all of its obligations authorized under section 11.5 of this chapter.

As added by P.L.380-1987(ss), SEC.7. Amended by P.L.50-1994, SEC.1.

IC 6-9-25-4

Taxable transactions

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the county in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.380-1987(ss), SEC.7. Amended by P.L.257-2003, SEC.38.

IC 6-9-25-5

Tax rate

Sec. 5. The county food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.380-1987(ss), SEC.7.

IC 6-9-25-6
Imposition, payment, and collection of tax; return

Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.380-1987(ss), SEC.7.

IC 6-9-25-7
Monthly payment of tax receipts to county treasurer

Sec. 7. The amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

As added by P.L.380-1987(ss), SEC.7.

IC 6-9-25-8
Food and beverage tax receipts fund; establishment; depository; investment income

Sec. 8. (a) If a tax is imposed under section 3 of this chapter, the county treasurer shall establish a food and beverage tax receipts fund.

(b) The county treasurer shall deposit in this fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.

As added by P.L.380-1987(ss), SEC.7.

IC 6-9-25-9
Use of food and beverage tax money received before July 1, 1994

Sec. 9. (a) This section applies to revenues from the county food and beverage tax received by the county before July 1, 1994.

(b) Money in the fund established under section 8 of this chapter shall be used by the county in the following order:

(1) To pay debt service on bonds issued under IC 36-2-6-18 through IC 36-2-6-20, including up to two (2) years interest, to finance:

(A) the acquisition, construction, or equipping of a basketball hall of fame;

(B) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition, construction, or equipping of a basketball hall of fame or the issuance of bonds; and

(C) the establishment or maintenance of a debt service reserve fund for the bonds or any other reasonable or necessary reserve funds to operate, repair, maintain, or improve a basketball hall of fame.

(2) To redeem or prepay bonds after meeting all requirements of

any bond ordinance.

(3) To reimburse the county or any nonprofit corporation for any money advanced for purposes of this chapter.

(c) Money held in the fund established under section 8 of this chapter shall be held until distribution under subsection (b).

(d) The county auditor shall make a semiannual distribution, at the time property tax revenue is distributed, to the paying agent for any bonds described in subsection (b)(1). Each semiannual distribution must be equal to principal and interest obligations on the bonds on the next interest payment date. Money received by a paying agent under this subsection shall be deposited in a special fund to be used to service the bonds.

As added by P.L.380-1987(ss), SEC.7. Amended by P.L.75-1988, SEC.4; P.L.50-1994, SEC.2.

IC 6-9-25-9.5

Use of food and beverage tax money; capital expenditures; county capital improvements committee

Sec. 9.5. (a) This section applies to revenues from the county food and beverage tax received by the county after June 30, 1994.

(b) Money in the fund established under section 8 of this chapter shall be used by the county for the financing, construction, renovation, improvement, equipping, or maintenance of the following capital improvements:

(1) Sanitary sewers or wastewater treatment facilities that serve economic development purposes.

(2) Drainage or flood control facilities that serve economic development purposes.

(3) Road improvements used on an access road for an industrial park that serve economic development purposes.

(4) A covered horse show arena.

(5) A historic birthplace memorial.

(6) A historic gymnasium and community center in a town in the county with a population greater than two thousand (2,000) but less than two thousand three hundred (2,300).

(7) Main street renovation and picnic and park areas in a town in the county with a population greater than two thousand (2,000) but less than two thousand three hundred (2,300).

(8) A community park and cultural center.

(9) Projects for which the county decides after July 1, 1994, to:

(A) expend money in the fund established under section 8 of this chapter; or

(B) issue bonds or other obligations or enter into leases under section 11.5 of this chapter;

after the projects described in subdivisions (1) through (8) have been funded.

(10) An ambulance.

Money in the fund may not be used for the operating costs of any of the permissible projects listed in this section. In addition, the county may not issue bonds or enter into leases or other obligations under

this chapter after December 31, 2015.

(c) The county capital improvements committee is established to make recommendations to the county fiscal body concerning the use of money in the fund established under section 8 of this chapter. The capital improvements committee consists of the following members:

(1) One (1) resident of the county representing each of the three (3) commissioner districts, appointed by the county executive. Not more than two (2) of the members appointed under this subdivision may be from the same political party.

(2) Two (2) residents of the county, appointed by the county fiscal body. The two (2) appointees may not be from the same political party. One (1) appointee under this subdivision must be a resident of a town in the county with a population greater than two thousand (2,000) but less than two thousand three hundred (2,300). One (1) appointee under this subdivision must be a resident of a town in the county with a population greater than two thousand three hundred (2,300).

(3) Two (2) residents of the largest city in the county, appointed by the municipal executive. The two (2) appointees under this subdivision may not be from the same political party. One (1) appointee must be interested in economic development.

(4) Two (2) residents of the largest city in the county, appointed by the municipal fiscal body. The two (2) appointees under this subdivision may not be from the same political party. One (1) appointee must be interested in tourism.

(d) Except as provided in subsection (e), the term of a member appointed to the capital improvements committee under subsection (c) is four (4) years.

(e) The initial terms of office for the members appointed to the county capital improvements committee under subsection (c) are as follows:

(1) Of the members appointed under subsection (c)(1), one (1) member shall be appointed for a term of two (2) years, one (1) member shall be appointed for three (3) years, and one (1) member shall be appointed for four (4) years.

(2) Of the members appointed under subsection (c)(2), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.

(3) Of the members appointed under subsection (c)(3), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.

(4) Of the members appointed under subsection (c)(4), one (1) member shall be appointed for three (3) years and one (1) member shall be appointed for four (4) years.

(f) At the expiration of a term under subsection (e), the member whose term expired may be reappointed to the county capital improvements committee to fill the vacancy caused by the expiration.

(g) The capital improvements committee is abolished on January 1, 2016.

As added by P.L.50-1994, SEC.3. Amended by P.L.170-2002,

SEC.48; P.L.158-2005, SEC.2; P.L.119-2012, SEC.70.

IC 6-9-25-10
Repealed

(Repealed by P.L.50-1994, SEC.11.)

IC 6-9-25-10.5
County food and beverage tax council; establishment; voting; abolition

Sec. 10.5. (a) The county food and beverage tax council is established in the county. The membership of the county food and beverage tax council consists of the fiscal body of the county and the fiscal body of each municipality that lies either partly or entirely within the county.

(b) The county food and beverage tax council has a total of one hundred (100) votes. Every member of the county food and beverage tax council is allocated a percentage of the total one hundred (100) votes that may be cast. The percentage that a municipality in the county is allocated for a year equals the same percentage that the population of the municipality bears to the population of the county. The percentage that the county is allocated for a year equals the same percentage that the population of all areas of the county not located in a municipality bears to the population of the county. In the case of a municipality that lies partly within the county, the allocation shall be based on the population of that portion of the municipality that lies within the county.

(c) Before January 2 of each year, the county auditor shall certify to each member of the food and beverage tax council the number of votes, rounded to the nearest one-hundredth (0.01), the member has for that year.

(d) The food and beverage tax imposed under this chapter remains in effect until the county food and beverage tax council adopts an ordinance to rescind the tax.

(e) An ordinance to rescind the food and beverage tax takes effect December 31 of the year in which the ordinance is adopted.

(f) The county food and beverage tax council may not rescind the food and beverage tax if there are bonds outstanding or leases or other obligations payable under this chapter.

(g) The county food and beverage tax council is abolished on January 1, 2016.

As added by P.L.50-1994, SEC.4. Amended by P.L.158-2005, SEC.3.

IC 6-9-25-10.7
Ordinance to rescind food and beverage tax; procedures; voting

Sec. 10.7. (a) Any member of the county food and beverage tax council may present an ordinance to rescind the food and beverage tax. To do so, the member must adopt a resolution to propose the ordinance to the county food and beverage tax council and distribute a copy of the proposed ordinance to the auditor of the county. The county auditor shall treat an ordinance presented to the county

auditor as a casting of all that member's votes in favor of the proposed ordinance. The county auditor shall deliver copies of a proposed ordinance to all other members of the county food and beverage tax council within ten (10) days after receipt by the county auditor. A member shall vote on the proposed ordinance within thirty (30) days after receiving the proposed ordinance from the county auditor. If a member does not vote within thirty (30) days, the county auditor shall treat the member as having voted no on the proposed ordinance.

(b) A member of the county food and beverage tax council may exercise the member's votes by passing a resolution and transmitting the resolution to the county auditor. A resolution passed by a member of the county food and beverage tax council exercises all votes of the member on the proposed ordinance. Those votes may not be changed during the year.

(c) Before a member of the county food and beverage tax council may propose an ordinance or vote on a proposed ordinance to rescind the food and beverage tax, the member must hold a public hearing on the proposed ordinance and provide the public with notice of the time and place where the hearing will be held in accordance with IC 5-3-1.

(d) The county auditor shall record all votes taken on a proposed ordinance presented for a vote under this section and immediately send a certified copy of the results to the department of state revenue by certified mail.

As added by P.L.50-1994, SEC.5.

IC 6-9-25-11

Bonds; issuance; payment; lease of facilities

Sec. 11. (a) The county may issue its bonds to:

(1) pay any costs associated with a basketball hall of fame, as set forth in section 9(b)(1) of this chapter;

(2) reimburse the county or any nonprofit corporation for any money advanced to pay those costs; or

(3) refund bonds issued under this section.

(b) Bonds issued under this section:

(1) are payable solely from money provided under this chapter;

(2) must be issued in the manner prescribed by IC 36-2-6-18 through IC 36-2-6-20; and

(3) may, in the discretion of the county, be sold at negotiated sale at a price to be determined by the county or in accordance with IC 5-1-11 and IC 5-3-1.

(c) Proceeds of the tax established under this chapter may be pledged:

(1) to pay debt service on bonds issued under this chapter;

(2) for the payment of lease rentals or other obligations entered into under this chapter; or

(3) for any purposes set forth in section 9(b)(1) or 9.5 of this chapter.

A pledge is enforceable as set forth in IC 5-1-14-4.

(d) The county may lease the basketball hall of fame facility to a

nonprofit corporation for a term not to exceed twenty-five (25) years. The lease may contain any terms acceptable to the county council and must be approved by ordinance of the county council.
As added by P.L.75-1988, SEC.5. Amended by P.L.50-1994, SEC.6.

IC 6-9-25-11.5
Bonds, leases, or other obligations; validity

Sec. 11.5. (a) Until January 1, 2016, the county may:

(1) use money in the fund established under section 8 of this chapter to pay all or part of the costs associated with the facilities described in section 9.5 of this chapter;

(2) issue bonds, enter into leases, or incur other obligations to pay any costs associated with the facilities described in section 9.5 of this chapter;

(3) reimburse the county or any nonprofit corporation for any money advanced to pay those costs; or

(4) refund bonds issued or other obligations incurred under this chapter.

(b) Bonds or other obligations issued under this section:

(1) are payable from money provided in this chapter, any other revenues available to the county, or any combination of these sources, in accordance with a pledge made under IC 5-1-14-4;

(2) must be issued in the manner prescribed by IC 36-2-6-18 through IC 36-2-6-20;

(3) may, in the discretion of the county, be sold at a negotiated sale at a price to be determined by the county or in accordance with IC 5-1-11 and IC 5-3-1; and

(4) may be issued for a term not to exceed twenty (20) years, such term to include any refunding bonds issued to refund bonds originally issued under this section.

(c) Leases entered into under this section:

(1) may be for a term not to exceed fifty (50) years;

(2) may provide for payments from revenues under this chapter, any other revenues available to the county, or any combination of these sources;

(3) may provide that payments by the county to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;

(4) must be based upon the value of the facilities leased; and

(5) may not create a debt of the county for purposes of the Constitution of the State of Indiana.

(d) A lease may be entered into by the county executive only after a public hearing at which all interested parties are provided the opportunity to be heard. After the public hearing, the executive may approve the execution of the lease on behalf of the county only if the executive finds that the service to be provided throughout the life of the lease will serve the public purpose of the county and is in the best interests of its residents. A lease approved by the executive must also be approved by an ordinance of the county fiscal body.

(e) Upon execution of a lease under this section, and after approval of the lease by the county fiscal body, the county executive shall publish notice of the execution of the lease and the approval of the lease in accordance with IC 5-3-1.

(f) An action to contest the validity of bonds issued or leases entered into under this section must be brought within thirty (30) days after the adoption of a bond ordinance or notice of the execution and approval of the lease, as the case may be.

As added by P.L.50-1994, SEC.7. Amended by P.L.158-2005, SEC.4.

IC 6-9-25-12

Bonds, leases, or other obligations; adverse legislation covenant

Sec. 12. With respect to:

(1) bonds, leases, or other obligations for which a pledge of revenues of the food and beverage tax imposed under this chapter has been made by the county as set forth in section 11 or 11.5 of this chapter; and

(2) bonds issued by a lessor that are payable from lease rentals;

the general assembly covenants with the county, the purchasers or owners of the bonds or other obligations described in subdivision (1), and the owners of bonds described in subdivision (2) that this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the food and beverage tax imposed by this chapter as long as the principal of any bonds, the interest on any bonds, or the lease rentals due under any lease are unpaid.

As added by P.L.75-1988, SEC.6. Amended by P.L.50-1994, SEC.8.

IC 6-9-25-13

Tourism and economic development projects; financing; purpose

Sec. 13. The financing of tourism and economic development projects in the county serves a public purpose and is of benefit to the general welfare of the county by encouraging investment, job creation and retention, and economic growth and diversity.

As added by P.L.50-1994, SEC.9.

IC 6-9-25-14

Basketball hall of fame; operation and maintenance fund; use of food and beverage tax to finance

Sec. 14. Notwithstanding any other law, funds accumulated from the collection of the food and beverage tax imposed under section 3 of this chapter after redemption of the bonds issued under this chapter and accrued before July 1, 1994, may be set aside in an operation and maintenance fund for a basketball hall of fame financed under section 9 of this chapter. Money in the fund may be used by a nonprofit corporation that has leased the basketball hall of fame facility for the operation, repair, maintenance, or improvement of the basketball hall of fame.

As added by P.L.50-1994, SEC.10.

IC 6-9-26

Chapter 26. Madison County Food and Beverage Tax

IC 6-9-26-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred twenty-five thousand (125,000) but less than one hundred thirty-five thousand (135,000).

As added by P.L.74-1988, SEC.2. Amended by P.L.12-1992, SEC.53; P.L.170-2002, SEC.49; P.L.119-2012, SEC.71.

IC 6-9-26-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 and IC 36-1-2 apply throughout this chapter.

As added by P.L.74-1988, SEC.2.

IC 6-9-26-3

Rate of tax; ordinance

Sec. 3. (a) The fiscal body of the county may adopt an ordinance no later than December 31, 1988, to impose an excise tax, known as the county food and beverage tax, on those transactions described in sections 6 and 7 of this chapter.

(b) The rate of the tax equals one percent (1%) of the gross retail income on the transaction. For the purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.74-1988, SEC.2.

IC 6-9-26-4

Copy of ordinance

Sec. 4. If a fiscal body adopts an ordinance under section 3 of this chapter, the clerk shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

As added by P.L.74-1988, SEC.2.

IC 6-9-26-5

Effective date and application of ordinance

Sec. 5. If a fiscal body adopts an ordinance under section 3 of this chapter, the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

As added by P.L.74-1988, SEC.2.

IC 6-9-26-6

Application of tax

Sec. 6. Except as provided in section 8 of this chapter, a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;
(2) in the county in which the tax is imposed; and
(3) by a retail merchant for consideration.
As added by P.L.74-1988, SEC.2.

IC 6-9-26-7
Food served off-premises, in heated state, or with eating utensils
Sec. 7. Transactions described in section 6(1) of this chapter include transactions in which food or beverage is:
(1) served by a retail merchant off the merchant's premises;
(2) food sold in a heated state or heated by a retail merchant;
(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).
As added by P.L.74-1988, SEC.2. Amended by P.L.257-2003, SEC.39.

IC 6-9-26-8
Exemptions
Sec. 8. The county food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.
As added by P.L.74-1988, SEC.2.

IC 6-9-26-9
Collection; returns
Sec. 9. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.
As added by P.L.74-1988, SEC.2.

IC 6-9-26-10
Receipt of taxes
Sec. 10. The amounts received from the taxes imposed under this chapter shall be paid monthly by the treasurer of state to the county

fiscal officer upon warrants issued by the auditor of state.
As added by P.L.74-1988, SEC.2.

IC 6-9-26-11
Economic development project fund; establishment; deposits

Sec. 11. (a) If a tax is imposed under section 3 of this chapter, the county fiscal officer shall establish an economic development project fund.

(b) The county fiscal officer shall deposit in the fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.
As added by P.L.74-1988, SEC.2.

IC 6-9-26-12
Use of funds

Sec. 12. (a) Except as provided in section 12.5 of this chapter, money in the county economic development project fund shall be used by the county solely to:

(1) finance, construct, improve, equip, operate, maintain, and promote first, a civic center, and then an economic development project, if there is money not needed for a civic center, approved under section 13 of this chapter; and

(2) retire bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 (referred to in this chapter as "obligations") to finance, construct, improve, equip, operate, maintain, or promote first, a civic center, and then an economic development project approved under section 13 of this chapter.

(b) Obligations entered into for the purposes described in subsection (a) shall be retired by using money collected from a tax imposed under this chapter.
As added by P.L.74-1988, SEC.2. Amended by P.L.51-1992, SEC.1.

IC 6-9-26-12.5
Transfer of funds; use

Sec. 12.5. (a) This section applies if there are no outstanding obligations for which a pledge has been made under section 15(a) of this chapter concerning uses authorized under section 12 of this chapter.

(b) Money deposited in the county economic development project fund before March 1, 1992, shall be transferred to the following:

(1) Fifty percent (50%) of the money deposited shall be transferred to the fiscal officer of a city having a population of more than fifty-five thousand (55,000) but less than sixty thousand (60,000).

(2) Fifty percent (50%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for:

(A) economic development projects in locations other than a city described in subdivision (1); or

(B) the following purposes:

(i) The financing, construction, or equipping of a secure detention facility under IC 31-31-8 or IC 31-6-9-5 (repealed).

(ii) All reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, and supervisory expenses related to the financing, construction, or equipping of a facility described in item (i).

(iii) The retiring of any bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 to finance, construct, or equip a facility described in item (i).

(c) Except as provided in subsection (d), money deposited in the county economic development project fund after February 29, 1992, shall be transferred to the following:

(1) Forty percent (40%) of the money deposited shall be transferred to the fiscal officer of a city described in subsection (b)(1).

(2) Forty percent (40%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for the following purposes:

(A) The financing, construction, or equipping of a secure detention facility under IC 31-31-8 or IC 31-6-9-5 (repealed).

(B) All reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, and supervisory expenses related to the financing, construction, or equipping of a facility described in clause (A).

(C) The retiring of any bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 to finance, construct, or equip a facility described in clause (A).

(3) Twenty percent (20%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for economic development projects in locations other than a city described in subsection (b)(1).

(d) After the retiring of any bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 to finance, construct, or equip a secure detention facility under subsection (c)(2), money deposited in the county economic development project fund after February 29, 1992, shall be transferred to the following:

(1) Seventy percent (70%) of the money deposited shall be transferred to the fiscal officer of a city described in subsection (b)(1).

(2) Thirty percent (30%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for economic development projects in locations other than a city described in subsection (b)(1).

(e) Money transferred to a city fiscal officer under subsection (b)(1), (c)(1), or (d)(1) shall be credited to a special account to be

known as the city economic development account. Money credited to the account shall be used only for those purposes described in IC 6-3.5-7 (the county economic development income tax).
As added by P.L.51-1992, SEC.2. Amended by P.L.1-1997, SEC.38; P.L.170-2002, SEC.50; P.L.119-2012, SEC.72.

IC 6-9-26-13
Disbursements; resolution and findings; restrictions on use

Sec. 13. (a) Before disbursing money from the fund established under section 11 of this chapter for an economic development project under section 12.5(b)(2)(A), 12.5(c)(3), or 12.5(d)(2) of this chapter, the county fiscal body must adopt a resolution that contains the following:

(1) A written finding that the project will do all of the following:
(A) Attract new business enterprises to the county or retain or expand existing business enterprises in the county.
(B) Benefit the public health and welfare and be of public utility and benefit.
(C) Protect and increase state and local tax bases or revenues.
(D) Result in a substantial increase in temporary and permanent employment opportunities and private sector investment within the county.
(2) The amounts to be disbursed from the fund for each economic development project.
(3) The date of the disbursement.

(b) The county fiscal body may impose restrictions on the use of the funds as a condition of the disbursement by including the restrictions in the resolution adopted under subsection (a).
As added by P.L.74-1988, SEC.2. Amended by P.L.51-1992, SEC.3.

IC 6-9-26-14
Repeal of ordinance

Sec. 14. If no obligations are outstanding, the county fiscal body may repeal the ordinance adopted under section 3 of this chapter imposing the tax before December 1 in any year.
As added by P.L.74-1988, SEC.2.

IC 6-9-26-15
Pledge of funds to finance obligations

Sec. 15. (a) The county may enter into an agreement under which amounts deposited in, or to be deposited in, the fund are pledged to payment of obligations issued to finance the uses for the money authorized under section 12 or 12.5 of this chapter.

(b) With respect to obligations for which a pledge has been made under subsection (a), the general assembly covenants with the holders of these obligations that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed under this chapter; and
(2) this chapter will not be amended in any manner that will

change the purpose for which revenues from the tax imposed under this chapter may be used;

as long as the payment of any of those obligations is outstanding.

As added by P.L.74-1988, SEC.2. Amended by P.L.51-1992, SEC.4.

IC 6-9-26-16

Repeal of ordinance; effective date; copy

Sec. 16. The repeal of an ordinance under section 14 of this chapter takes effect January 1 immediately following the date the repeal was adopted. If the fiscal body repeals the ordinance, the clerk shall immediately send a certified copy of the ordinance repealing the ordinance imposing the tax to the commissioner of the department of state revenue.

As added by P.L.74-1988, SEC.2.

IC 6-9-27

Chapter 27. Miscellaneous Local Food and Beverage Taxes

IC 6-9-27-1

Application

Sec. 1. This chapter applies to the following:

(1) A town:

(A) located in a county having a population of more than sixty thousand (60,000) but less than sixty-eight thousand nine hundred (68,900); and

(B) having a population of more than nine thousand (9,000).

(2) A town:

(A) located in a county having a population of more than thirty-seven thousand one hundred twenty-five (37,125) but less than thirty-seven thousand five hundred (37,500); and

(B) having a population of less than one thousand (1,000).

(3) A town:

(A) located in a county having a population of more than one hundred forty thousand (140,000) but less than one hundred fifty thousand (150,000); and

(B) having a population of more than twenty-five thousand (25,000).

(4) A town:

(A) located in a county having a population of more than one hundred forty thousand (140,000) but less than one hundred fifty thousand (150,000); and

(B) having a population of more than twenty thousand (20,000) but less than twenty-five thousand (25,000).

(5) A town:

(A) located in a county having a population of more than one hundred forty thousand (140,000) but less than one hundred fifty thousand (150,000); and

(B) having a population of more than ten thousand (10,000) but less than twenty thousand (20,000).

(6) A city having a population of more than eleven thousand seven hundred (11,700) but less than eleven thousand nine hundred (11,900).

As added by P.L.35-1990, SEC.24. Amended by P.L.12-1992, SEC.54; P.L.103-1995, SEC.1; P.L.170-2002, SEC.51; P.L.214-2005, SEC.34; P.L.119-2012, SEC.73.

IC 6-9-27-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.35-1990, SEC.24.

IC 6-9-27-3

Adoption of ordinance

Sec. 3. (a) The fiscal body of the municipality may adopt an

ordinance to impose an excise tax, known as the municipal food and beverage tax, on transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), the fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If a fiscal body adopts an ordinance under subsection (a), the municipal food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

As added by P.L.35-1990, SEC.24. Amended by P.L.214-2005, SEC.35.

IC 6-9-27-4

Transactions; application of tax

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the city or town in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The municipal food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.35-1990, SEC.24. Amended by P.L.257-2003, SEC.40; P.L.214-2005, SEC.36.

IC 6-9-27-5

Amount

Sec. 5. The municipal food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail

income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.
As added by P.L.35-1990, SEC.24. Amended by P.L.214-2005, SEC.37.

IC 6-9-27-6
Imposition, payment, and collection; returns

Sec. 6. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.
As added by P.L.35-1990, SEC.24.

IC 6-9-27-7
Payments to municipal fiscal officer

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the city or town fiscal officer upon warrants issued by the auditor of state.
As added by P.L.35-1990, SEC.24. Amended by P.L.214-2005, SEC.38.

IC 6-9-27-8
Town food and beverage tax receipts fund

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by a town described in section 1 of this chapter, the town fiscal officer shall establish a food and beverage tax receipts fund.

(b) The town fiscal officer shall deposit in this fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.
As added by P.L.35-1990, SEC.24. Amended by P.L.214-2005, SEC.39.

IC 6-9-27-8.5
City food and beverage tax receipts fund

Sec. 8.5. (a) If a tax is imposed under section 3 of this chapter by a city described in section 1(6) of this chapter, the city fiscal officer shall establish a food and beverage tax receipts fund.

(b) The city fiscal officer shall deposit in this fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.
As added by P.L.214-2005, SEC.40.

IC 6-9-27-9
Town use of revenue; pledges to pay obligations

Sec. 9. (a) Except as provided in subsection (b), money in the fund

established under section 8 of this chapter shall be used by the town for the financing, construction, operation, or maintenance of the following:

(1) Sanitary sewers or wastewater treatment facilities.

(2) Park or recreational facilities.

(3) Drainage or flood control facilities.

(4) Water treatment, storage, or distribution facilities.

(b) The fiscal body of the town may pledge money in the fund to pay bonds issued, loans obtained, and lease payments or other obligations incurred by or on behalf of the town or a special taxing district in the town to provide the facilities described in subsection (a).

(c) Subsection (b) applies only to bonds, loans, lease payments, or obligations that are issued, obtained, or incurred after the date on which the tax is imposed under section 3 of this chapter.

(d) A pledge under subsection (a) is enforceable under IC 5-1-14-4.

As added by P.L.35-1990, SEC.24. Amended by P.L.214-2005, SEC.41.

IC 6-9-27-9.5

City use of revenue; pledges to pay obligations

Sec. 9.5. (a) A city shall use money in the fund established under section 8.5 of this chapter for only the following:

(1) Renovating the city hall.

(2) Constructing new police or fire stations, or both.

(3) Improving the city's sanitary sewers or wastewater treatment facilities, or both.

(4) Improving the city's storm water drainage systems.

(5) Other projects involving the city's water system or sanitary sewer system or protecting the city's well fields, as determined by the city fiscal body.

(b) The fiscal body of the city may pledge money in the fund to pay bonds issued, loans obtained, and lease payments or other obligations incurred by or on behalf of the city or a special taxing district in the city to provide the projects described in subsection (a).

(c) Subsection (b) applies only to bonds, loans, lease payments, or obligations that are issued, obtained, or incurred after the date on which the tax is imposed under section 3 of this chapter.

(d) A pledge under subsection (b) is enforceable under IC 5-1-14-4.

As added by P.L.214-2005, SEC.42. Amended by P.L.184-2006, SEC.10; P.L.176-2009, SEC.16.

IC 6-9-27-10

Payment of outstanding obligations; covenant with holders

Sec. 10. With respect to obligations for which a pledge has been made under section 9(b) or 9.5(b) of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will

adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding. *As added by P.L.35-1990, SEC.24. Amended by P.L.214-2005, SEC.43.*

IC 6-9-28

Chapter 28. Hendricks County Admissions Tax

IC 6-9-28-1

Applicability of chapter

Sec. 1. This chapter applies only to a county having a population of more than one hundred forty thousand (140,000) but less than one hundred fifty thousand (150,000).

As added by P.L.19-1994, SEC.13. Amended by P.L.170-2002, SEC.52; P.L.119-2012, SEC.74.

IC 6-9-28-2

Ordinance imposing tax

Sec. 2. (a) After January 1 but before June 1 of a year, the county fiscal body may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending an amusement park.

(b) If a fiscal body adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a county fiscal body adopts an ordinance under subsection (a), the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted.

As added by P.L.19-1994, SEC.13.

IC 6-9-28-3

Amount of tax

Sec. 3. The county admissions tax equals one dollar ($1) on the price of each admission to a facility described in section 2(a) of this chapter.

As added by P.L.19-1994, SEC.13.

IC 6-9-28-4

Liability; collection

Sec. 4. (a) Each person who pays a price for admission to a facility described in section 2(a) of this chapter is liable for the tax imposed under this chapter.

(b) The person who collects the price for admission shall also collect the county admissions tax imposed with respect to the price for admission. The person shall collect the tax at the same time the price for admission is paid, regardless of whether the price paid is for a single admission, for season tickets, or for any other admission arrangement. In addition, the person shall collect the tax as an agent of the state and the county in which the facility described in section 2(a) of this chapter is located.

As added by P.L.19-1994, SEC.13.

IC 6-9-28-5

Remittance; return

Sec. 5. A person who collects a county admissions tax under

section 4 of this chapter shall remit the tax collections to the department of state revenue. The person shall remit those revenues collected during a particular month before the fifteenth day of the following month. At the time the tax revenues are remitted, the person shall file a county admissions tax return on the form prescribed by the department of state revenue.
As added by P.L.19-1994, SEC.13.

IC 6-9-28-6
Payment to county by warrant

Sec. 6. The amounts received from the county admissions tax shall be paid monthly by the treasurer of the state to the county treasurer upon warrants issued by the auditor of state.
As added by P.L.19-1994, SEC.13.

IC 6-9-28-7
County admissions tax fund; establishment; deposit and use of money

Sec. 7. (a) If a tax is imposed under this chapter, the county legislative body shall establish a county admissions tax fund.

(b) The county treasurer shall deposit money received under section 6 of this chapter in the county admissions tax fund.

(c) Money earned from the investment of money in the admissions tax fund becomes a part of the fund.

(d) Money in the county admissions tax fund may be used by the county only for the following:

(1) Providing financial assistance, including grants, loans, and guarantees, for private enterprise to complete economic development projects in the county.
(2) Retiring bonds issued under Indiana law.
(3) Paying lease rentals under Indiana law.
(4) Paying the operating expenses of a governmental entity that plans or implements economic development projects.

As added by P.L.19-1994, SEC.13. Amended by P.L.28-1997, SEC.28.

IC 6-9-29

Chapter 29. Innkeeper's Tax Administration

IC 6-9-29-1

Application of chapter

Sec. 1. This chapter applies to all counties imposing an innkeeper's tax under this article.

As added by P.L.85-1995, SEC.38.

IC 6-9-29-1.5

Effective date of ordinance to be specified; certified copy of ordinance

Sec. 1.5. (a) Unless otherwise provided in this article, a county fiscal body that adopts an ordinance to impose, rescind, or increase or decrease the rate of a county innkeeper's tax must specify the effective date of the ordinance to provide that the ordinance takes effect:

(1) at least thirty (30) days after the adoption of the ordinance; and

(2) on the first day of a month.

(b) If a county fiscal body adopts an ordinance described in subsection (a), it must immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

As added by P.L.119-1998, SEC.20.

IC 6-9-29-2

Liability; penalty for failure to remit tax

Sec. 2. An individual who:

(1) is an individual taxpayer or an employee, an officer, or a member of a corporate or partnership taxpayer; and

(2) has a duty to remit innkeeper's taxes to the department of state revenue or a political subdivision;

holds those innkeeper's taxes in trust for the state or political subdivision and is personally liable for the payment of the innkeeper's taxes, plus any penalties and interest attributable to the innkeeper's taxes, to the state or political subdivision. An individual who knowingly fails to collect or remit the innkeeper's taxes to the state or political subdivision commits a Level 6 felony.

As added by P.L.85-1995, SEC.38. Amended by P.L.158-2013, SEC.120.

IC 6-9-29-3

Rights and powers of county treasurer

Sec. 3. If an ordinance has been adopted requiring the payment of the innkeeper's tax to the county treasurer instead of the department of state revenue, the county treasurer has the same rights and powers with respect to collecting the county innkeeper's tax as the department of state revenue.

As added by P.L.85-1995, SEC.38.

IC 6-9-29-4

Summary data to be provided by department of state revenue

Sec. 4. Upon a request by a county auditor or treasurer, the department of state revenue shall provide summary data regarding innkeeper's tax collections for the county. This data may not include any confidential information. The department shall provide the summary data within ten (10) business days after the request is made.

As added by P.L.85-1995, SEC.38.

IC 6-9-31

Chapter 31. Capital Improvement Board Revenue Replacement Supplemental Tax

IC 6-9-31-1

Applicability of chapter

Sec. 1. This chapter applies to each county having a consolidated city.

As added by P.L.256-1997(ss), SEC.6.

IC 6-9-31-2

Adoption of ordinances to impose supplemental tax; imposition, payment, and collection of tax

Sec. 2. (a) After January 1, but before June 1, the city-county council may adopt an ordinance to impose a supplemental tax, known as the capital improvement board revenue replacement supplemental tax, only for the purpose of replacing revenue lost as a result of the withdrawal by the consolidated city or the capital improvement board from a contract providing another entity with the right to name a facility owned by the capital improvement board under IC 36-10-9, the county convention and recreational facilities authority under IC 36-10-9.1, or the consolidated city, in response to the entity displacing at least:

(1) four hundred (400) jobs in the consolidated city; or

(2) one thousand (1,000) jobs within the state;

to another country, if the city-county council determines the revenue must be replaced.

(b) The city-county council may adopt an ordinance to impose a supplemental tax on any one (1) or all of the following:

(1) the innkeeper's tax under IC 6-9-8;

(2) the admissions tax under IC 6-9-13; and

(3) the supplemental auto rental excise tax under IC 6-6-9.7.

(c) The revenue replacement supplemental tax is in addition to the state gross retail tax and use tax imposed by IC 6-2.5. The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, and administration shall be applicable to the imposition and administration of the tax imposed by this section except to the extent these provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the preceding sentence, "person" and "gross income" have the same meaning in this section as the terms have in IC 6-2.5.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either by separate return or combined with the return filed for the payment of the state gross retail tax as the department of state revenue may determine by rule.

(f) If the tax is paid to the department of state revenue, the amounts received from this tax shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board of managers of the county upon warrants issued by the auditor of state.

As added by P.L.256-1997(ss), SEC.6.

IC 6-9-31-3

Rate of tax

Sec. 3. The tax imposed by section 2 of this chapter must be at a rate of not more than one percent (1%) on any one (1) or combination of the following:

(1) The gross income derived from lodging income subject to the innkeeper's tax under IC 6-9-8.

(2) The admission price paid for admissions that are subject to the admissions tax under IC 6-9-13.

(3) The gross retail income received by the merchant for a rental that is subject to the supplemental auto rental excise tax under IC 6-6-9.7.

As added by P.L.256-1997(ss), SEC.6.

IC 6-9-32

Chapter 32. Jackson County Innkeeper's Tax

IC 6-9-32-1

Applicability of chapter

Sec. 1. (a) This chapter applies to a county having a population of more than forty-two thousand three hundred (42,300) but less than forty-three thousand (43,000) that had adopted an innkeeper's tax under IC 6-9-18 before July 1, 1999.

(b) The:

(1) convention, visitor, and tourism promotion fund;
(2) convention and visitor commission;
(3) innkeeper's tax rate; and
(4) tax collection procedures;

established under IC 6-9-18 before July 1, 1999, remain in effect and govern the county's innkeeper's tax until amended under this chapter.

(c) A member of the convention and visitor commission established under IC 6-9-18 before July 1, 1999, shall serve a full term of office. If a vacancy occurs, the appointing authority shall appoint a qualified replacement as provided under this chapter. The appointing authority shall make other subsequent appointments to the commission as provided under this chapter.

As added by P.L.3-1999, SEC.1. Amended by P.L.170-2002, SEC.53; P.L.119-2012, SEC.75.

IC 6-9-32-2

Definitions

Sec. 2. As used in this chapter:

(1) "executive" and "fiscal body" have the meanings set forth in IC 36-1-2; and
(2) "gross retail income" and "person" have the meanings set forth in IC 6-2.5-1.

As added by P.L.3-1999, SEC.1.

IC 6-9-32-3

Levy of tax

Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) boat motel;
(4) inn; or
(5) tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed the rate of five percent (5%) on the

gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

As added by P.L.3-1999, SEC.1. Amended by P.L.14-2000, SEC.22.

IC 6-9-32-4

Convention, visitor, and tourism promotion fund

Sec. 4. (a) The county treasurer shall establish a convention, visitor, and tourism promotion fund. The treasurer shall deposit in this fund all amounts the treasurer receives under section 3 of this chapter.

(b) The county auditor shall issue a warrant directing the county treasurer to transfer money from the convention, visitor, and tourism promotion fund to the treasurer of the commission established under section 5 of this chapter if the commission submits a written request for the transfer.

(c) Money in a convention, visitor, and tourism promotion fund, or money transferred from such a fund under subsection (b), may be expended:

(1) to promote and encourage conventions, visitors, and tourism within the county; and

(2) to promote and encourage industrial and economic development within the county. However, the county may not expend more than twenty-five percent (25%) of the revenues from the tax imposed under section 3 of this chapter to promote and encourage industrial and economic development.

Expenditures under subdivision (1) may include, but are not limited to, expenditures for advertising, promotional activities, trade shows,

special events, and recreation.

(d) If before July 1, 1997, the county issued a bond with a pledge of revenues from the tax imposed under IC 6-9-18-3, the county shall continue to expend money from the fund for that purpose until the bond is paid.

As added by P.L.3-1999, SEC.1. Amended by P.L.14-2000, SEC.23.

IC 6-9-32-5

Commission to promote county convention, visitor, and tourism industry

Sec. 5. (a) The county executive shall create a commission to promote the development and growth of the convention, visitor, and tourism industry in the county. If two (2) or more adjoining counties desire to establish a joint commission, the counties shall enter into an agreement under IC 36-1-7.

(b) The county executive shall determine the number of members, which must be an odd number, to be appointed to the commission. A simple majority of the members must be:

(1) engaged in a convention, visitor, or tourism business; or

(2) involved in or promoting conventions, visitors, or tourism.

If available and willing to serve, at least two (2) of the members must be engaged in the business of renting or furnishing rooms, lodging, or accommodations (as described in section 3 of this chapter). Not more than one (1) member may be affiliated with the same business entity. No more than a simple majority of the members may be affiliated with the same political party. Each member must reside in the county. The county executive shall also determine who will make the appointments to the commission, except that the executive of the largest municipality in the county shall appoint a number of the members of the commission, which number shall be in the same ratio to the total size of the commission (rounded off to the nearest whole number) that the population of the largest municipality bears to the total population of the county.

(c) If a municipality other than the largest municipality in the county collects fifty percent (50%) or more of the tax revenue collected under this chapter during the three (3) month period following imposition of the tax, the executive of the municipality shall appoint the same number of members to the commission that the executive of the largest municipality in the county appoints under subsection (b).

(d) Except as provided in subsection (c), all terms of office of commission members begin on January 1. Initial appointments must be for staggered terms, with subsequent appointments for two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall appoint a qualified person to serve for the remainder of the term. If an initial appointment is not made by February 1 or a vacancy is not filled within thirty (30) days, the commission shall appoint a member by majority vote.

(e) A member of the commission may be removed for cause by the

member's appointing authority.

(f) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(g) Each commission member, before entering the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(h) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

As added by P.L.3-1999, SEC.1.

IC 6-9-32-6

Powers and duties of commission

Sec. 6. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established under section 4(a) of this chapter, or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter, to any Indiana not-for-profit corporation to promote and encourage conventions, visitors, or tourism in the county; and

(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) All expenses of the commission shall be paid from the fund established under section 4(a) of this chapter or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6), and submit it to the county fiscal body for its review and approval. An expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county fiscal body in the manner provided by law.

As added by P.L.3-1999, SEC.1.

IC 6-9-32-7
Handling and expenditure of commission money

Sec. 7. All money coming into possession of the commission shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money coming into possession of the commission is subject to audit and supervision by the state board of accounts.
As added by P.L.3-1999, SEC.1.

IC 6-9-32-8
Unlawful transfers of money

Sec. 8. (a) A member of the commission who knowingly:

(1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Level 6 felony.
As added by P.L.3-1999, SEC.1. Amended by P.L.158-2013, SEC.121.

IC 6-9-33

Chapter 33. Allen County Supplemental Food and Beverage Tax

IC 6-9-33-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

As added by P.L.8-2000, SEC.3.

IC 6-9-33-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.8-2000, SEC.3.

IC 6-9-33-3

Ordinance imposing tax

Sec. 3. (a) After January 1 but before June 1, the fiscal body of a county may adopt an ordinance to impose an excise tax, known as the county supplemental food and beverage tax, on those transactions described in section 4 of this chapter.

(b) If a fiscal body adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If a fiscal body adopts an ordinance under subsection (a), the county supplemental food and beverage tax applies to transactions that occur after June 30 of the year in which the ordinance is adopted. Any legal challenges to the imposition of the tax, including any effort to force the revocation or repeal of the tax, must be filed within ninety (90) days after the adoption of the tax by the fiscal body of a county. Pending the time for a legal challenge to the tax, and during the course of any legal challenge to the tax, the tax shall not apply to any covered transaction.

(d) The tax terminates two (2) years after the later of the following:

(1) The retirement of debt that was incurred under this chapter.

(2) The retirement of debt that was incurred by the capital improvement board of managers under IC 36-10-8-6 and IC 36-10-8-7.

As added by P.L.8-2000, SEC.3. Amended by P.L.229-2011, SEC.97.

IC 6-9-33-4

Taxable transactions; exemption

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the county in which the tax is imposed; and
(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;
(2) food sold in a heated state or heated by a retail merchant;
(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The county supplemental food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.8-2000, SEC.3. Amended by P.L.257-2003, SEC.41.

IC 6-9-33-5
Rate of tax

Sec. 5. The county supplemental food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter may not exceed one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.8-2000, SEC.3. Amended by P.L.176-2009, SEC.17.

IC 6-9-33-6
Collection of tax; returns

Sec. 6. The tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the tax under this chapter may be made separately or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.8-2000, SEC.3.

IC 6-9-33-7
Payment of receipts to county treasurer

Sec. 7. The amounts received from the county supplemental food and beverage tax imposed under this chapter shall be paid monthly

by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.
As added by P.L.8-2000, SEC.3.

IC 6-9-33-8
Supplemental coliseum improvement fund; food and beverage tax fund; excess revenue

Sec. 8. (a) If a tax is imposed under section 3 of this chapter, the county treasurer shall establish a supplemental coliseum improvement fund. The county treasurer shall deposit in this fund all amounts received from the tax imposed under this chapter. Money in this fund:

(1) may be appropriated only to retire or advance refund bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 (referred to in this chapter as "obligations") to remodel, expand, improve, or acquire an athletic and exhibition coliseum in existence before the effective date of an ordinance adopted under section 3 of this chapter; and

(2) shall be used to make transfers required by subsection (b).

(b) There is established a food and beverage tax fund, with a food and beverage tax reserve account, both to be administered by the capital improvement board of managers (IC 36-10-8). The money that is deposited in the supplemental coliseum improvement fund after December 31, 2009, and is not needed in a year to make payments on obligations for which a pledge of revenue under this chapter was made before January 1, 2009, shall be transferred to the capital improvement board. The county treasurer shall make the transfer before February 1 of the following year. The capital improvement board shall deposit the money it receives in the board's food and beverage tax fund reserve account. Money in the reserve account may not be withdrawn or transferred during the year it is received except to make transfers back to the county to make payments on obligations for which a pledge of revenue under this chapter was made before January 1, 2009. However, the capital improvement board may transfer:

(1) interest earned on money in the reserve account; and

(2) an amount equal to the balance that has been held in the reserve account for at least twelve (12) months;

to the board's food and beverage tax fund and used as provided in subsection (c).

(c) Excess revenue transferred under subsection (b) to the capital improvement board of managers may be used to provide funding for:

(1) the construction of a capital improvement (as defined in IC 36-10-1-4);

(2) an economic development project as described in:

(A) IC 6-3.5-7-13.1(c)(1) or IC 6-3.5-7-13.1(c)(2)(A) through IC 6-3.5-7-13.1(c)(2)(I); and

(B) IC 6-3.5-7-13.1(c)(2)(K); or

(3) financing a capital improvement or an economic development project described in subdivision (1) or (2).

In carrying out this subsection, the capital improvement board may borrow against future tax revenue that will be collected under this chapter. In addition, the capital improvement board may use an amount not to exceed one hundred thousand dollars ($100,000) annually from the tax revenue collected under this chapter to pay expenses related to investigating a potential capital improvement or economic development project, including feasibility and preliminary engineering studies related to such a capital improvement or economic development project.

(d) Excess revenue transferred under subsection (b) to the capital improvement board of managers may not be used to:

(1) provide funding for improvements initiated before January 1, 2009, that are located in the area bounded on the north by Jefferson Boulevard, on the east by Harrison Street, on the south by Breckenridge Street, and on the west by Ewing Street as those public ways were located on January 1 2009, as part of the Harrison Square project;

(2) provide for debt service or lease payments for a project for which the obligations for the project were incurred before January 1, 2009; or

(3) pay operational expenses for any facilities of the municipality.

As added by P.L.8-2000, SEC.3. Amended by P.L.176-2009, SEC.18; P.L.229-2011, SEC.98; P.L.137-2012, SEC.111.

IC 6-9-33-9
Payment of obligations

Sec. 9. (a) Obligations entered into before January 1, 2009, for the acquisition, expansion, remodeling, and improvement of an athletic and exhibition coliseum shall be retired by using money collected from a tax imposed under this chapter.

(b) With respect to obligations for which a pledge has been made under this section before January 1, 2009, the general assembly covenants with the holders of these obligations that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed under this chapter; and

(2) this chapter will not be amended in any manner that will change the purpose for which revenues from the tax imposed under this chapter may be used;

as long as the payment of any of those obligations is outstanding.

As added by P.L.8-2000, SEC.3. Amended by P.L.176-2009, SEC.19.

IC 6-9-33-10
Repealed

(Repealed by P.L.176-2009, SEC.31.)

IC 6-9-33-11
Coliseum operations; annual report

Sec. 11. On or before March 31 each year, the executive director

of the World War Memorial Coliseum shall submit to the capital improvement board of managers an annual report of the operations of the coliseum.

As added by P.L.176-2009, SEC.20.

IC 6-9-34

Chapter 34. Entertainment Facility Admissions Tax

IC 6-9-34-1

Ordinance imposing tax; exemptions

Sec. 1. (a) Except as provided in subsection (b), after June 30 of a year but before January 1 of the following year, the fiscal body of a city may adopt an ordinance to impose an excise tax, known as the entertainment facility admissions tax, for the privilege of attending any event:

(1) held in a privately owned outdoor entertainment facility that:

(A) has a minimum capacity of at least ten thousand (10,000) patrons; and

(B) is located in a geographic area that has been annexed by the city before the adoption of the ordinance; and

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility.

(b) The excise tax imposed under subsection (a) does not apply to the following:

(1) An event sponsored by an educational institution or an association representing an educational institution.

(2) An event sponsored by a religious organization.

(3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.

(4) An event sponsored by a political organization.

(5) An event for which tickets are sold on a per-vehicle or similar basis and not on a per-person basis.

(c) If the fiscal body adopts an ordinance under subsection (a), the tax applies to an event ticket purchased after:

(1) December 31 of the calendar year in which the ordinance is adopted; or

(2) a later date that is set forth in the ordinance.

The tax terminates and may not be collected for events that occur after the city has satisfied any outstanding obligations described in section 5(c)(2) of this chapter.

As added by P.L.254-2003, SEC.13.

IC 6-9-34-2

Admission tax rate

Sec. 2. (a) As used in this section, "paid admission" refers to each person who pays a price for admission to any event described in section 1(a) of this chapter. The term does not include persons who are entitled to be at an event without having paid a price for admission.

(b) The entertainment facility admission tax equals fifty cents ($.50) for each paid admission to an event described in section 1 of this chapter.

As added by P.L.254-2003, SEC.13.

IC 6-9-34-3
Tax liability; duty to collect tax

Sec. 3. (a) Each person who pays a price for admission to an event described in section 1(a) of this chapter is liable for the tax imposed under this chapter.

(b) The person who collects the price for admission shall collect the entertainment facility admissions tax imposed under this chapter at the same time the price for admission is paid. The person shall collect the tax as an agent of the city in which the facility described in section 1 of this chapter is located.

As added by P.L.254-2003, SEC.13.

IC 6-9-34-4
Remitting tax to city

Sec. 4. (a) A person who collects a tax under section 3 of this chapter shall remit the revenue collected monthly to the city fiscal officer. The tax collected from persons paying for admission to a particular event shall be remitted not more than twenty (20) days after the end of the month during which the event occurred.

(b) At the time the tax revenues are remitted, the person shall report the amount of tax collected on forms approved by the city fiscal body.

As added by P.L.254-2003, SEC.13.

IC 6-9-34-5
City ticket tax fund; deposits of tax; uses

Sec. 5. (a) If a tax is imposed under this chapter, the city fiscal body shall establish a city ticket tax fund. The city fiscal officer shall deposit money received under section 4 of this chapter in the city ticket tax fund.

(b) Money earned from the investment of money in the fund becomes a part of the fund.

(c) Money in the fund may be used by the city only for the following:

(1) Costs to construct, reconstruct, or improve public thoroughfares or highways to improve ingress or egress to and from the facility.

(2) Payment of principal and interest on bonds issued, or lease rentals on leases entered into, by the city to finance the construction, reconstruction, or improvement of public thoroughfares or highways under subdivision (1). Costs payable under this subdivision include costs of capitalized interest and legal, accounting, and other costs incurred in the issuance of any bonds or the entering into of any leases.

(3) Payment of any access or connection fee imposed on the facility for access to the city's public sewer system, as long as the fee applies to all property owners served and is uniformly assessed within the city's corporate boundaries.

As added by P.L.254-2003, SEC.13.

IC 6-9-34-6
Agreement to facilitate administration

Sec. 6. The city fiscal body may enter into any agreement or contract with the owner of the facility to facilitate the administration of an ordinance adopted under this chapter.

As added by P.L.254-2003, SEC.13.

IC 6-9-34-7
Covenant of general assembly; impairment of bonds

Sec. 7. With respect to:

(1) bonds, leases, or other obligations to which the city has pledged revenues under this chapter; and

(2) bonds issued by a lessor that are payable from lease rentals;

the general assembly covenants with the city and the purchasers or owners of the bonds or other obligations described in this section that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter or the money deposited in the city ticket tax fund, as long as the principal of or interest on any bonds, or the lease rentals due under any lease, are unpaid.

As added by P.L.254-2003, SEC.13.

IC 6-9-35

Chapter 35. Stadium and Convention Building Food and Beverage Tax Funding

IC 6-9-35-1

Application of chapter

Sec. 1. This chapter applies to Boone, Johnson, Hamilton, Hancock, Hendricks, Morgan, and Shelby counties (referred to as counties in this chapter) and to the cities or towns of Carmel, Fishers, Greenfield, Lebanon, Noblesville, Westfield, and Zionsville that are located in those counties (referred to as municipalities in this chapter).

As added by P.L.214-2005, SEC.44.

IC 6-9-35-2

Application of definitions

Sec. 2. The definitions in IC 6-9-12-1 and IC 36-1-2 apply throughout this chapter.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-3

"Authority"

Sec. 3. As used in this chapter, "authority" refers to the Indiana stadium and convention building authority created by IC 5-1-17.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-4

"Capital improvement board"

Sec. 4. As used in this chapter, "capital improvement board" means the capital improvement board of managers created by IC 36-10-9-3.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-5

Imposition; deadline; rate; conditions; ordinance

Sec. 5. (a) Except as provided in subsection (d), the fiscal body of a county may adopt an ordinance not later than June 30, 2005, to impose an excise tax, known as the food and beverage tax, on those transactions described in sections 8 and 9 of this chapter that occur anywhere within the county.

(b) Except as provided in subsection (d), if the county in which the municipality is located has adopted an ordinance imposing an excise tax under subsection (a), the fiscal body of a municipality may adopt an ordinance not later than September 30, 2005, to impose an excise tax, known as the food and beverage tax, on those transactions described in sections 8 and 9 of this chapter that occur anywhere within the municipality.

(c) The rate of the tax imposed under this chapter equals one percent (1%) of the gross retail income on the transaction. With respect to an excise tax in the municipalities set forth in

IC 6-9-27-1(1) (Mooresville), IC 6-9-27-1(3) (Plainfield), IC 6-9-27-1(4) (Brownsburg), IC 6-9-27-1(5) (Avon), and IC 6-9-27-1(6) (Martinsville), the excise tax imposed by the county is in addition to the food and beverage tax imposed by those municipalities. With respect to an excise tax imposed by a county under subsection (a), the excise tax imposed by a municipality under subsection (b) is in addition to the food and beverage tax imposed by the county in which the municipality is located. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5, IC 6-9-27, or this chapter.

(d) If the Marion County city-county council does not adopt all the ordinances required to be adopted by it under IC 5-1-17-25 on or before June 30, 2005, the counties and municipalities described in section 1 of this chapter are no longer subject to the provisions of this chapter. In that event, the fiscal body of the county or municipality may not adopt an ordinance to impose the excise tax authorized by this chapter, and any ordinance adopted by the fiscal body under subsection (a) or (b) is no longer effective.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-6

Transmission of ordinance to state

Sec. 6. If a fiscal body adopts an ordinance under section 5 of this chapter, the clerk shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-7

Application to transactions

Sec. 7. If a fiscal body adopts an ordinance under section 5 of this chapter, the food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-8

Transactions taxed

Sec. 8. Except as provided in section 10 of this chapter, a tax imposed under section 5 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the county or municipality, or both, in which the tax is imposed; and

(3) by a retail merchant for consideration.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-9

Transactions taxed

Sec. 9. Transactions described in section 8(1) of this chapter include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

As added by P.L.214-2005, SEC.44.

IC 6-9-35-10
Transactions exempt

Sec. 10. The food and beverage tax under this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-11
Collection and payment; returns

Sec. 11. The county fiscal body may adopt an ordinance requiring that any tax imposed under this chapter be reported on forms approved by the county treasurer and that the tax be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected, and the county treasurer is responsible for collecting the tax and enforcing any of the provisions of IC 6-2.5 with respect to the tax. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-12
Tax revenue distributions

Sec. 12. (a) As long as there are any current or future obligations owed by the capital improvement board to the authority or any state agency under a lease or other agreement entered into between the capital improvement board and the authority or any state agency

pursuant to IC 5-1-17-26, fifty percent (50%) of the amounts received from the taxes imposed under this chapter by counties shall be paid monthly by the county treasurer, if the tax is being paid to the county treasurer, to the treasurer of state. This amount plus fifty percent (50%) of the amounts received by the state from the taxes imposed under this chapter by counties shall be paid monthly by the treasurer of state to the treasurer of the capital improvement board or its designee upon warrants issued by the auditor of state. The remainder that is received by the state shall be paid monthly by the treasurer of state to the county fiscal officer upon warrants issued by the auditor of state. In any state fiscal year, if the total amount of the taxes imposed under this chapter by all the counties and paid to the treasurer of the capital improvement board or its designee under this subsection equals five million dollars ($5,000,000), the entire remainder of the taxes imposed by a county under this chapter during that state fiscal year shall be retained by the county treasurer or paid by the treasurer of state to the fiscal officer of the county, upon warrants issued by the auditor of state.

(b) If there are then existing no obligations of the capital improvement board described in subsection (a), the entire amount received from the taxes imposed by a county under this chapter shall be paid monthly by the treasurer of state to the county fiscal officer upon warrants issued by the auditor of state.

(c) The entire amount of the taxes paid to the treasurer of the capital improvement board or its designee under subsection (a) shall be deposited in a special fund and used only for the payment or to secure the payment of obligations of the capital improvement board described in subsection (a). If the taxes are not used for the payment or to secure the payment of obligations of the capital improvement board described in subsection (a), the taxes shall be returned by the capital improvement board to the treasurer of state who shall return the taxes to the respective counties that contributed the taxes.

(d) The entire amount received from the taxes imposed by a municipality under this chapter shall be paid monthly by the treasurer of state to the municipality's fiscal officer upon warrants issued by the auditor of state.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-13

Food and beverage tax fund; deposits

Sec. 13. (a) If a tax is imposed under section 5 of this chapter, the county's or municipality's fiscal officer, or both, shall establish a food and beverage tax fund.

(b) The fiscal officer shall deposit in the fund all amounts received by the fiscal officer under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-14

Food and beverage tax fund; uses

Sec. 14. Money in the food and beverage tax fund shall be used by the county or municipality:

(1) to reduce the county's or municipality's property tax levy for a particular year at the discretion of the county or municipality, but this use does not reduce the maximum permissible levy under IC 6-1.1-18.5 for the county or municipality; or

(2) for any legal or corporate purpose of the county or municipality, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

Revenue derived from the imposition of a tax under this chapter may be treated by a county or municipality as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the county or municipality.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-15

Tax repeal; ordinance

Sec. 15. (a) If there are no obligations of the capital improvement board described in section 12(a) of this chapter then outstanding and there are no bonds, leases, or other obligations then outstanding for which a pledge has been made under section 14 of this chapter, the fiscal body may adopt an ordinance, after December 31, 2009, and before December 1, 2010, or any year thereafter, that repeals the ordinance adopted under section 5 of this chapter.

(b) An ordinance adopted under subsection (a) takes effect January 1 immediately following the date of its adoption. If the fiscal body adopts such an ordinance, the clerk shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) A tax imposed under this chapter terminates on January 1 of the year immediately following the year in which the last payment obligation of the capital improvement board is made with respect to any bond, lease, or other obligation described in section 12(a) of this chapter that existed on July 1, 2006.

As added by P.L.214-2005, SEC.44.

IC 6-9-35-16

Payment of obligations; covenant with holders

Sec. 16. With respect to obligations of the capital improvement board described in section 12(a) of this chapter and bonds, leases, or other obligations for which a pledge has been made under section 14 of this chapter, the general assembly covenants with the holders of these obligations that:

(1) this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed under this chapter; and

(2) this chapter will not be amended in any manner that will change the purpose for which revenues from the tax imposed under this chapter may be used;

as long as the payment of any of those obligations is outstanding.
As added by P.L.214-2005, SEC.44.

IC 6-9-36

Chapter 36. Lake County and Porter County Food and Beverage Tax

IC 6-9-36-1

Application of chapter

Sec. 1. This chapter applies to the following counties:

(1) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(2) A county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000).

As added by P.L.214-2005, SEC.45. Amended by P.L.119-2012, SEC.76.

IC 6-9-36-2

Application of definitions

Sec. 2. The definitions in IC 6-9-12-1 and IC 36-1-2 apply throughout this chapter.

As added by P.L.214-2005, SEC.45.

IC 6-9-36-3

Imposition of tax; rescission of tax; ordinances; transmission of ordinance to state

Sec. 3. (a) The fiscal body of a county described in section 1 of this chapter may adopt an ordinance to impose an excise tax, known as the food and beverage tax, on those transactions described in sections 4 and 5 of this chapter that occur anywhere within the county.

(b) The following apply if the fiscal body of the county imposes a tax under this chapter:

(1) The rate of the tax equals one percent (1%) of the gross retail income on the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5 or this chapter.

(2) The fiscal body shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(3) The tax applies to transactions that occur after the last day of the month that follows the month in which the ordinance was adopted.

(4) The fiscal body may adopt an ordinance to rescind the tax. The rescission of the tax takes effect after the last day of the month that follows the month in which the ordinance to rescind the tax is adopted. However, the fiscal body may not rescind the tax if there are bonds outstanding or leases or other obligations for which the tax has been pledged under IC 36-7.5.

As added by P.L.214-2005, SEC.45.

IC 6-9-36-4
Transactions taxed

Sec. 4. Except as provided in section 6 of this chapter, a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the county or political subdivision, or both, in which the tax is imposed; and

(3) by a retail merchant for consideration.

As added by P.L.214-2005, SEC.45.

IC 6-9-36-5
Transactions taxed

Sec. 5. Transactions described in section 4(1) of this chapter include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

As added by P.L.214-2005, SEC.45.

IC 6-9-36-6
Transactions exempt

Sec. 6. The food and beverage tax under this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.214-2005, SEC.45.

IC 6-9-36-7
Collection and payment; returns

Sec. 7. The tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.214-2005, SEC.45.

IC 6-9-36-8
Distribution of revenue

Sec. 8. (a) The entire amount received from the taxes imposed by a county under this chapter shall be paid monthly by the treasurer of state to the treasurer of the northwest Indiana regional development authority established by IC 36-7.5-2-1.

(b) The taxes paid to the treasurer of the development authority under this section shall be deposited in the development authority fund established under IC 36-7.5-4-1.

As added by P.L.214-2005, SEC.45.

IC 6-9-37

Chapter 37. Hendricks County Innkeeper's Tax

IC 6-9-37-1

Application of chapter; transition of fund, commission, and rate

Sec. 1. (a) This chapter applies to a county having a population of more than one hundred forty thousand (140,000) but less than one hundred fifty thousand (150,000) that had adopted an innkeeper's tax under IC 6-9-18 before July 1, 2005.

(b) The:

(1) convention, visitor, and tourism promotion fund;
(2) convention and visitor commission;
(3) innkeeper's tax rate; and
(4) tax collection procedures;

established under IC 6-9-18 before July 1, 2005, remain in effect and govern the county's innkeeper's tax until amended under this chapter.

(c) A member of the convention and visitor commission established under IC 6-9-18 before July 1, 2005, shall serve a full term of office. If a vacancy occurs, the appointing authority shall appoint a qualified replacement as provided in this chapter. The appointing authority shall make other subsequent appointments to the commission as provided in this chapter.

As added by P.L.214-2005, SEC.46. Amended by P.L.119-2012, SEC.77.

IC 6-9-37-2

Definitions

Sec. 2. As used in this chapter:

(1) "executive" and "fiscal body" have the meanings set forth in IC 36-1-2; and
(2) "gross retail income" and "person" have the meanings set forth in IC 6-2.5-1.

As added by P.L.214-2005, SEC.46.

IC 6-9-37-3

Imposition

Sec. 3. (a) The fiscal body of a county may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any:

(1) hotel;
(2) motel;
(3) boat motel;
(4) inn;
(5) college or university memorial union;
(6) college or university residence hall or dormitory; or
(7) tourist cabin;

located in the county.

(b) The tax does not apply to gross income received in a transaction in which:

(1) a student rents lodgings in a college or university residence hall while that student participates in a course of study for which the student receives college credit from a college or university located in the county; or

(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(c) The tax may not exceed the rate of eight percent (8%) on the gross retail income derived from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

As added by P.L.214-2005, SEC.46.

IC 6-9-37-4

Convention, visitor, and tourism promotion fund; uses

Sec. 4. (a) The county treasurer shall establish a convention, visitor, and tourism promotion fund. The treasurer shall deposit in this fund all amounts the treasurer receives under this chapter.

(b) The county auditor shall issue a warrant directing the county treasurer to transfer money from the convention, visitor, and tourism promotion fund to the treasurer of the commission established under section 5 of this chapter if the commission submits a written request for the transfer.

(c) Subject to subsection (e), money in a convention, visitor, and tourism promotion fund, or money transferred from such a fund under subsection (b), may be expended:

(1) to promote and encourage conventions, visitors, and tourism within the county; and

(2) for the development of a county park, a county fairground,

or a county promotion.

Expenditures under subdivision (1) may include, but are not limited to, expenditures for advertising, promotional activities, trade shows, special events, and recreation.

(d) If before July 1, 1997, the county issued a bond with a pledge of revenues from the tax imposed under IC 6-9-18-3, the county shall continue to expend money from the fund for that purpose until the bond is paid.

(e) Tax revenues attributable to a tax rate that exceeds five percent (5%) must be divided equally between the expenditures authorized under subsection (c)(1) and (c)(2).

As added by P.L.214-2005, SEC.46.

IC 6-9-37-5

Commission; membership; officers

Sec. 5. (a) The county executive shall create a commission to promote the development and growth of the convention, visitor, and tourism industry in the county. If two (2) or more adjoining counties desire to establish a joint commission, the counties shall enter into an agreement under IC 36-1-7.

(b) The county executive shall determine the number of members, which must be an odd number, to be appointed to the commission. A simple majority of the members must be:

(1) engaged in a convention, visitor, or tourism business; or

(2) involved in or promoting conventions, visitors, or tourism.

If available and willing to serve, at least two (2) of the members must be engaged in the business of renting or furnishing rooms, lodging, or accommodations (as described in section 3 of this chapter). Not more than one (1) member may be affiliated with the same business entity. Not more than a simple majority of the members may be affiliated with the same political party. Each member must reside in the county. The county executive shall also determine who will make the appointments to the commission, except that the executive of the largest municipality in the county shall appoint a number of the members of the commission, which number shall be in the same ratio to the total size of the commission (rounded off to the nearest whole number) that the population of the largest municipality bears to the total population of the county.

(c) If a municipality other than the largest municipality in the county collects fifty percent (50%) or more of the tax revenue collected under this chapter during the three (3) month period following imposition of the tax, the executive of the municipality shall appoint the same number of members to the commission that the executive of the largest municipality in the county appoints under subsection (b).

(d) Except as provided in subsection (c), all terms of office of commission members begin on January 1. Initial appointments must be for staggered terms, with subsequent appointments for two (2) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, the appointing authority shall

appoint a qualified person to serve for the remainder of the term. If an initial appointment is not made by February 1 or a vacancy is not filled within thirty (30) days, the commission shall appoint a member by majority vote.

(e) A member of the commission may be removed for cause by the member's appointing authority.

(f) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(g) Each commission member, before entering the member's duties, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(h) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

As added by P.L.214-2005, SEC.46.

IC 6-9-37-6

Commission powers

Sec. 6. (a) The commission may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money, quarterly or less frequently, from the fund established under section 4(a) of this chapter, or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter, to any Indiana nonprofit corporation to promote and encourage conventions, visitors, or tourism in the county; and

(7) require financial or other reports from any corporation that receives funds under this chapter.

(b) All expenses of the commission shall be paid from the fund established under section 4(a) of this chapter or from money transferred from that fund to the commission's treasurer under section 4(b) of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation

qualified under subsection (a)(6), and submit it to the county fiscal body for its review and approval. An expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county fiscal body in the manner provided by law.
As added by P.L.214-2005, SEC.46.

IC 6-9-37-7
Revenue deposits; audits

Sec. 7. All money coming into possession of the commission shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money coming into possession of the commission is subject to audit and supervision by the state board of accounts.
As added by P.L.214-2005, SEC.46.

IC 6-9-37-8
Revenue transfers; prohibitions; penalty

Sec. 8. (a) A member of the commission who knowingly:

(1) approves the transfer of money to any person or corporation not qualified under law for that transfer; or

(2) approves a transfer for a purpose not permitted under law;

commits a Level 6 felony.

(b) A person who receives a transfer of money under this chapter and knowingly uses that money for any purpose not permitted under this chapter commits a Level 6 felony.
As added by P.L.214-2005, SEC.46. Amended by P.L.158-2013, SEC.122.

IC 6-9-38

Chapter 38. Food and Beverage Taxes in Wayne County

IC 6-9-38-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than sixty-eight thousand nine hundred (68,900) but less than seventy thousand (70,000).

As added by P.L.214-2005, SEC.47. Amended by P.L.119-2012, SEC.78.

IC 6-9-38-2

Application of definitions

Sec. 2. Except as otherwise provided in this chapter, the definitions in IC 36-1-2 apply throughout this chapter.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-3

"Beverage"

Sec. 3. As used in this chapter, "beverage" includes an alcoholic beverage.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-4

"Bonds"

Sec. 4. As used in this chapter, "bonds" has the meaning set forth in IC 5-1-11-1.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-5

"Department"

Sec. 5. As used in this chapter, "department" means the department of state revenue.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-6

"Economic development project"

Sec. 6. As used in this chapter, "economic development project" has the meaning set forth in IC 6-3.5-7-13.1.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-7

"Food"

Sec. 7. As used in this chapter, "food" includes any food product.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-8

"Gross retail income"

Sec. 8. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-9
"Obligations"

Sec. 9. As used in this chapter, "obligations" has the meaning set forth in IC 5-1-3-1(b).
As added by P.L.214-2005, SEC.47.

IC 6-9-38-10
"Person"

Sec. 10. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-11
"Retail merchant"

Sec. 11. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-12
"Unit"

Sec. 12. As used in this chapter, "unit" means:

(1) a county described in section 1 of this chapter; or
(2) a city or town located in the county described in section 1 of this chapter.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-13
Imposition of tax; ordinances; transmission of ordinance to state

Sec. 13. (a) After January 1 but before August 1, the fiscal body of a unit may adopt an ordinance to impose an excise tax known as the unit's food and beverage tax on transactions described in section 14 of this chapter. The fiscal body of a unit other than a county may not adopt an ordinance under this chapter until after July 31, 2006, unless the fiscal body of the county adopts a resolution to relinquish its exclusive authority to adopt an ordinance under this chapter before August 1, 2006. If a county fiscal body adopts a resolution under this subsection, the county fiscal body shall send a certified copy of the resolution to the executive of each city and town located in the county.

(b) Before a fiscal body may adopt an ordinance imposing a food and beverage tax, the fiscal body must hold a public hearing on the proposed ordinance, with notice of the time, date, and place of the public hearing given in accordance with IC 5-3-1.

(c) If the fiscal body of a county adopts an ordinance to impose a food and beverage tax under this chapter, the county executive must also adopt a substantially similar ordinance to impose the tax.

(d) If an ordinance is adopted under subsection (c), the county executive shall immediately send a certified copy of the ordinance to

the department.

(e) If a unit other than a county adopts an ordinance under this section, the unit's executive shall immediately send a certified copy of the ordinance to the department.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-14

Transactions taxed

Sec. 14. (a) Except as provided in subsection (c), a food and beverage tax imposed under section 13 of this chapter applies to any transaction in which food or a beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the unit in which the tax is imposed; and

(3) by the retail merchant for consideration.

If both a county and another unit located in the county impose a tax under this chapter, the tax imposed by the county does not apply within the territory of the other unit imposing the tax.

(b) Transactions described in subsection (a)(1) include transactions in which food or a beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) sold by a retail merchant who ordinarily bags, wraps, or packages the food or beverage for immediate consumption on or near the retail merchant's premises, including food or beverages sold on a "take out" or "to go" basis; or

(3) sold by a street vendor.

(c) A food and beverage tax imposed under this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed under IC 6-2.5.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-15

Rate

Sec. 15. The food and beverage tax imposed on a food or beverage transaction described in section 14 of this chapter is equal to one percent (1%) of the gross retail income received by the retail merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-16

Repeal; conditions

Sec. 16. (a) If no bonds, leases, obligations, or other evidences of indebtedness of a unit that are payable from a food and beverage tax imposed under this chapter are outstanding, the unit's fiscal body may adopt an ordinance to repeal the unit's food and beverage tax.

(b) An ordinance described in subsection (a) must be adopted after January 1 but before September 1 of a year. The fiscal body shall send a certified copy of the ordinance adopted under this section to the department.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-17
Effective date of ordinance
Sec. 17. If a fiscal body adopts an ordinance under this chapter, the ordinance takes effect January 1 of the year following the year in which the ordinance is adopted.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-18
Collection and payment; returns
Sec. 18. A food and beverage tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return that is filed for the payment of the tax may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax as prescribed by the department.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-19
Revenue distribution; notices
Sec. 19. (a) The department shall notify the county auditor of a county containing a unit that imposes a food and beverage tax under this chapter of the amount of tax paid in the unit.
(b) The amounts received from a food and beverage tax imposed under this chapter shall be paid monthly by the treasurer of state on warrants issued by the auditor of state to the county auditor of the county in which the unit that imposed the tax is located.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-20
Food and beverage tax revenue fund
Sec. 20. A county auditor shall establish for each unit in the county that imposes a tax under this chapter a local food and beverage tax revenue fund into which all amounts received monthly from the treasurer of state under this chapter shall be deposited.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-21
Additional revenue
Sec. 21. Revenue derived from a tax imposed under this chapter may be treated by a unit as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the unit.
As added by P.L.214-2005, SEC.47.

IC 6-9-38-22
Use of revenue

Sec. 22. A unit may use revenues from a tax imposed under this chapter for one (1) or more of the following purposes:

(1) To promote and encourage conventions, visitors, and tourism within the unit.

(2) To promote and encourage economic development within the unit.

(3) Paying debt service or lease rentals on:

(A) bonds;

(B) leases;

(C) obligations; or

(D) any other evidence of indebtedness of the unit;

for a project described in subdivisions (1) and (2).

As added by P.L.214-2005, SEC.47.

IC 6-9-38-23
Property tax levy reduction prohibited

Sec. 23. The department of local government finance may not reduce a unit's property tax levy by the amount of revenue received from a tax imposed under this chapter.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-24
Tax revenue committee established; members; terms; abolishment

Sec. 24. (a) The food and beverage tax revenue committee is established to make recommendations concerning the use of money in the funds established under section 20 of this chapter. The committee consists of the following members:

(1) One (1) resident of the county representing each of the three (3) commissioner districts, appointed by the county executive. Not more than two (2) of the members appointed under this subdivision may be from the same political party.

(2) Two (2) residents of the county, appointed by the county fiscal body. The two (2) appointees may not be from the same political party.

(3) Two (2) residents of the largest city in the county, appointed by the city executive. The two (2) appointees under this subdivision may not be from the same political party. One (1) appointee must be interested in economic development.

(4) Two (2) residents of the largest city in the county, appointed by the city fiscal body. The two (2) appointees under this subdivision may not be from the same political party. One (1) appointee must be interested in tourism.

(b) Except as provided in subsection (c), the term of a member appointed to the food and beverage tax revenue committee under this section is four (4) years.

(c) The initial terms of office for the members appointed to the food and beverage tax revenue committee under subsection (a) are as follows:

(1) Of the members appointed under subsection (a)(1), one (1) member shall be appointed for a term of two (2) years, one (1) member shall be appointed for three (3) years, and one (1) member shall be appointed for four (4) years.
(2) Of the members appointed under subsection (a)(2), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.
(3) Of the members appointed under subsection (a)(3), one (1) member shall be appointed for two (2) years and one (1) member shall be appointed for three (3) years.
(4) Of the members appointed under subsection (a)(4), one (1) member shall be appointed for three (3) years and one (1) member shall be appointed for four (4) years.

(d) At the expiration of a term under subsection (c), the member whose term expired shall be reappointed to the food and beverage tax revenue committee to fill the vacancy caused by the expiration.

(e) The food and beverage tax revenue committee is abolished on the date that the county fiscal body adopts a resolution abolishing the food and beverage tax revenue committee. A county fiscal body may adopt a resolution under this subsection if the county fiscal body determines that each unit in the county that had imposed a tax under this chapter has adopted an ordinance to rescind the tax.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-25
Covenant with bond holders

Sec. 25. The general assembly covenants with each unit subject to this chapter and the purchasers and owners of bonds, leases, obligations, or any other evidences of indebtedness of the county payable from a tax imposed under this chapter that this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of a tax imposed under this chapter so long as the principal, interest, or lease rentals due under those bonds, leases, obligations, or other evidences of indebtedness of a unit that are payable from a tax imposed under this chapter remain unpaid.

As added by P.L.214-2005, SEC.47.

IC 6-9-38-26
Expiration

Sec. 26. If a unit incurs indebtedness payable from a tax imposed by the unit under this chapter, the unit's food and beverage tax terminates two (2) years after the retirement of the debt financed by the food and beverage tax.

As added by P.L.214-2005, SEC.47.

IC 6-9-39

Chapter 39. County Option Dog Tax

IC 6-9-39-1

"Animal care facility"

Sec. 1. As used in this chapter, "animal care facility" includes an animal control center, an animal shelter, a humane society, or another animal impounding facility that has as its purpose the humane treatment of animals.

As added by P.L.162-2006, SEC.36.

IC 6-9-39-2

"Taxable dog"

Sec. 2. As used in this chapter, "taxable dog" means a dog at least six (6) months of age.

As added by P.L.162-2006, SEC.36.

IC 6-9-39-3

Imposition of tax; adoption of ordinance by county fiscal body; tax rate

Sec. 3. (a) The fiscal body of a county may adopt an ordinance to impose a tax on a person who harbors or keeps a taxable dog in or near the person's premises in the county, regardless of who owns the taxable dog. A person who harbors or keeps a taxable dog in the county is liable for the tax.

(b) A tax imposed under this section may not exceed five dollars ($5) per year for each taxable dog.

(c) The maximum amount of county option dog tax per year that may be imposed by an ordinance adopted under this section for taxable dogs kept in a kennel for breeding, boarding, training, or sale is an amount equal to the lesser of:

(1) the county option dog tax liability calculated without regard to this subsection for taxable dogs kept in the kennel for breeding, boarding, training, or sale; or

(2) for a kennel in which:

(A) more than six (6) taxable dogs are kept for breeding, boarding, training, or sale, fifty dollars ($50); or

(B) not more than six (6) taxable dogs are kept for breeding, boarding, training, or sale, thirty dollars ($30).

As added by P.L.162-2006, SEC.36.

IC 6-9-39-4

Repeal of tax; procedure

Sec. 4. If an ordinance adopted under section 3 of this chapter is in effect in a county, the fiscal body of the county may rescind the ordinance imposing the county option dog tax.

As added by P.L.162-2006, SEC.36.

IC 6-9-39-5

Collection; designation of collection method by ordinance

Sec. 5. (a) The fiscal body of a county may collect a county option dog tax imposed under section 3 of this chapter by any combination of the following methods:

(1) By designating one (1) or more persons in the county to collect the tax.

(2) By requiring a person who harbors or keeps a taxable dog to submit a complete and accurate county option dog tax return.

(3) By a method other than a method described in subdivision (1) or (2) as determined by the fiscal body of the county.

(b) A designee under subsection (a)(1) may retain a fee from the tax collected for each taxable dog in an amount determined by the fiscal body not to exceed seventy-five cents ($0.75). A designee shall remit the balance of the money collected to the county treasurer by the tenth day of each month.

(c) If a fiscal body chooses to collect a county option dog tax imposed under section 3 of this chapter by requiring the submission of a county option dog tax return under subsection (a), the county treasurer may include a county option dog tax return form with every property tax statement that is mailed to a person under IC 6-1.1-22-8.1(a)(1).

(d) The department of local government finance shall prescribe a county option dog tax return form that a county may use for the reporting of county option dog tax liability.

As added by P.L.162-2006, SEC.36. Amended by P.L.3-2008, SEC.67; P.L.87-2009, SEC.15.

IC 6-9-39-6

County option dog tax fund; canine research and education account

Sec. 6. (a) If a county fiscal body adopts an ordinance under section 3 of this chapter, the county treasurer shall establish a county option dog tax fund.

(b) At the time a county option dog tax fund is established under subsection (a), the county treasurer shall establish a canine research and education account within the county option dog tax fund established under subsection (a).

(c) Interest and investment income derived from money in a county option dog tax fund becomes part of the county option dog tax fund.

(d) Money in a county's county option dog tax fund at the end of a calendar year does not revert to the county's general fund.

As added by P.L.162-2006, SEC.36.

IC 6-9-39-7

Deposit of tax collections in fund; use of tax revenues

Sec. 7. (a) A county treasurer that receives county option dog tax revenue under section 5 of this chapter shall deposit the money in the county option dog tax fund according to the following allocation:

(1) Twenty percent (20%) for the canine research and education account established under section 6(b) of this chapter.

(2) Eighty percent (80%) for the uses designated by the fiscal body of the county under subsection (c).

(b) If an ordinance adopted under section 3 of this chapter is in effect in a county, the county auditor and the county treasurer shall include the county option dog tax revenue received by the county treasurer in the settlement procedures described in IC 6-1.1-27. Amounts accumulated in the county canine research and education account shall be paid to the state treasurer in accordance with the procedure described under IC 6-1.1-27-3.

(c) The fiscal body of a county that imposes a tax under this chapter may appropriate money in the county option dog tax fund, other than money allocated to the canine research and education account established under section 6(b) of this chapter, for any of the following purposes:

(1) The use of animal care facilities.

(2) Animal control, including dead animal disposal.

(3) Reimbursement to farmers for livestock kills.

(4) Reimbursement to people who have undergone rabies post exposure prophylaxis.

(d) The fiscal body of a county that imposes a tax under this chapter may establish requirements according to which individuals or entities are eligible to receive distributions of money appropriated for a purpose described in subsection (c).

As added by P.L.162-2006, SEC.36.

IC 6-9-39-8

Distribution of tax revenues to the state; appropriation to Purdue University School of Veterinary Science and Medicine

Sec. 8. (a) A special canine research and education account within the state general fund shall be established. Any payments issued to the state under section 7(b) of this chapter shall be deposited in the canine research and education account in the state general fund.

(b) Any income earned on money held in the canine research and education account established under subsection (a) becomes a part of that account.

(c) Any revenue remaining in the canine research and education account established under subsection (a) at the end of a fiscal year does not revert to the state general fund.

(d) There is annually appropriated to the Purdue University School of Veterinary Science and Medicine from the canine research and education account established under subsection (a) an amount equal to the sum of money deposited in the canine research and education account during the state fiscal year for its use in conducting canine disease research and education.

(e) On or about August 1 of each year, if there is a positive amount in the canine research and education account established under subsection (a), the auditor of state shall issue a warrant to the Purdue University School of Veterinary Science and Medicine for an amount equal to the amount of money accumulated in the canine research and education account.

As added by P.L.162-2006, SEC.36.

IC 6-9-39-9
Limitation of powers of counties and municipalities; dog licensing fees; legalizing of ordinance

Sec. 9. (a) Except as provided in subsection (b), after July 1, 2006, a county or a municipality (as defined in IC 36-1-2-11) of the county may not adopt an ordinance implementing a licensing system for dogs unless the county option dog tax under this chapter is in effect in the county.

(b) If:

(1) a county adopted an ordinance implementing a licensing system for dogs:

(A) after December 31, 2006; and

(B) before February 1, 2007; and

(2) the county did not first adopt the county option dog tax;

the ordinance is legalized.

As added by P.L.162-2006, SEC.36. Amended by P.L.172-2011, SEC.111.

IC 6-9-40

Chapter 40. Steuben County Food and Beverage Tax

IC 6-9-40-1

Application

Sec. 1. This chapter applies to Steuben County.

As added by P.L.96-2008, SEC.3.

IC 6-9-40-2

Definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.96-2008, SEC.3.

IC 6-9-40-3

Food and beverage tax authorized

Sec. 3. (a) The fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on transactions described in section 4 of this chapter.

(b) If the fiscal body adopts an ordinance under subsection (a), the fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance was adopted.

As added by P.L.96-2008, SEC.3.

IC 6-9-40-4

Taxable transactions

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the county in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant,

including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport the food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.96-2008, SEC.3.

IC 6-9-40-5

Tax rate

Sec. 5. The county food and beverage tax imposed on a food or beverage transaction described in section 4 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.96-2008, SEC.3.

IC 6-9-40-6

Liability; collection

Sec. 6. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.96-2008, SEC.3.

IC 6-9-40-7

Distribution of food and beverage tax revenues

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the county fiscal officer upon warrants issued by the auditor of state. The county auditor shall, at least monthly, make a distribution of fifty percent (50%) of the amount received from the treasurer of state in the immediately preceding thirty (30) days to the city of Angola. The remainder of the distribution shall be retained for use by the county.

As added by P.L.96-2008, SEC.3.

IC 6-9-40-8

Food and beverage tax receipts fund

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by a county described in section 1 of this chapter, the fiscal officer of a political subdivision receiving a distribution under this chapter shall establish a food and beverage tax receipts fund.

(b) The fiscal officer of a political subdivision receiving a distribution under this chapter shall deposit in this fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.
As added by P.L.96-2008, SEC.3.

IC 6-9-40-9
Permissible uses of money in a food and beverage tax receipts fund; bonding authority

Sec. 9. (a) Except as provided in subsection (b), money in the fund established under section 8 of this chapter shall be used by a political subdivision receiving a distribution under this chapter only for the following purposes:

(1) Construction, extension, or completion of sewerlines, waterlines, streets, curbs, sidewalks, bridges, roads, highways, alleys, public ways, parking facilities, lighting, electric signals, information and high technology infrastructure (as defined in IC 5-28-9-4), and any other infrastructure improvements.

(2) Engineering, legal, and other consulting or advisory services, plans, specifications, surveys, cost estimates, and other costs or expenses necessary or incident to activities described in subdivision (1).

(3) Park and recreation purposes, including the purchase of land for park and recreation purposes.

(4) Police and law enforcement purposes, firefighting and fire prevention purposes, emergency medical services and ambulance services, and other public safety purposes.

(b) The fiscal body of a political subdivision receiving a distribution under this chapter may pledge money in the political subdivision's fund to pay bonds issued, loans obtained, and lease payments or other obligations incurred by or on behalf of the political subdivision to provide the infrastructure improvements described in subsection (a).

(c) A pledge under subsection (b) is enforceable under IC 5-1-14-4.
As added by P.L.96-2008, SEC.3. Amended by P.L.1-2009, SEC.61.

IC 6-9-40-10
Covenants

Sec. 10. With respect to obligations for which a pledge has been made under section 9(b) of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.
As added by P.L.96-2008, SEC.3.

IC 6-9-40-11
Legislative findings

Sec. 11. The general assembly finds that Steuben County and the city of Angola face unique challenges because of their fluctuating population and that the challenges may be addressed through the

provisions of this chapter.
As added by P.L.96-2008, SEC.3.

IC 6-9-41

Chapter 41. Monroe County Food and Beverage Tax

IC 6-9-41-0.3

Finding of conditions unique to City of Bloomington and Monroe County

Sec. 0.3. A large percentage of the land in the city of Bloomington and in Monroe County is not taxable because the land is owned by the state or the federal government, which puts the city and the county at a disadvantage in their ability to fund projects. These special circumstances require the legislation of P.L.176-2009 particular to the city and county.

As added by P.L.220-2011, SEC.168.

IC 6-9-41-1

Application of chapter

Sec. 1. This chapter applies to Monroe County.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-2

Definitions

Sec. 2. Except as provided in sections 3, 4, and 9(b) of this chapter, the definitions in IC 6-9-12-1 and IC 36-1-2 apply throughout this chapter.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-3

"City"

Sec. 3. As used in this chapter, "city" means the city of Bloomington.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-4

"County"

Sec. 4. As used in this chapter, "county" means Monroe County.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-5

Ordinance imposing tax

Sec. 5. (a) The fiscal body of the county may adopt an ordinance to impose an excise tax, known as the county food and beverage tax, on those transactions described in section 6 of this chapter. The effective date of an ordinance adopted under this subsection must be after December 31, 2009.

(b) If the fiscal body adopts an ordinance under subsection (a), the fiscal body shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If the fiscal body adopts an ordinance under subsection (a), the county food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the

ordinance is adopted. However, if an ordinance is adopted before December 1, 2009, and the ordinance takes effect January 1, 2010, the tax applies to transactions after December 31, 2009.
As added by P.L.176-2009, SEC.21.

IC 6-9-41-6
Taxable transactions; exemption

Sec. 6. (a) Except as provided in subsection (c), a tax imposed under section 5 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;
(2) in the county in which the tax is imposed; and
(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;
(2) food sold in a heated state or heated by a retail merchant;
(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) The county food and beverage tax does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.
As added by P.L.176-2009, SEC.21.

IC 6-9-41-7
Rate of tax

Sec. 7. The county food and beverage tax imposed on a food or beverage transaction described in section 6 of this chapter equals one percent (1%) of the gross retail income received by the merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from the transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.
As added by P.L.176-2009, SEC.21.

IC 6-9-41-8
Collection of tax; returns

Sec. 8. If an ordinance is not adopted under section 9 of this chapter, the tax that may be imposed under section 5 of this chapter

shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the tax under this chapter may be made separately or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.
As added by P.L.176-2009, SEC.21.

IC 6-9-41-9
Payment of tax to county treasurer

Sec. 9. (a) The county fiscal body may adopt an ordinance to require that the tax imposed under section 5 of this chapter be reported on forms approved by the county treasurer and that the tax be paid monthly to the county treasurer. If an ordinance is adopted under this subsection, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month in which the tax is collected. If an ordinance is not adopted under this subsection, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(b) If an ordinance is adopted under this section, all of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under section 5 of this chapter, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer.

(c) For purposes of this chapter, the terms "person" and "gross retail income" have the same meaning in this section as set forth in IC 6-2.5, except that "person" does not include state supported educational institutions. If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may by rule determine.
As added by P.L.176-2009, SEC.21.

IC 6-9-41-10
State distribution to county treasurer

Sec. 10. If an ordinance is not adopted under section 9 of this chapter, the amounts received from the county food and beverage tax imposed under section 5 of this chapter shall be paid monthly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.
As added by P.L.176-2009, SEC.21.

IC 6-9-41-11
County food and beverage tax receipts fund

Sec. 11. (a) If an ordinance is adopted under section 5 of this chapter, the county treasurer shall establish a food and beverage tax

receipts fund.

(b) The county treasurer shall deposit in the fund county food and beverage tax revenue that the county treasurer receives.

(c) Any money earned from the investment of money in the fund becomes part of the fund.

(d) Money in the fund at the end of the county fiscal year does not revert to the county general fund.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-12

Bloomington food and beverage tax receipts fund

Sec. 12. (a) If an ordinance is adopted under section 5 of this chapter, the fiscal officer of the city shall establish a food and beverage tax receipts fund.

(b) The fiscal officer shall deposit in the fund county food and beverage tax revenue that the fiscal officer receives.

(c) Any money earned from the investment of money in the fund becomes part of the fund.

(d) Money in the fund at the end of the city fiscal year does not revert to the city general fund.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-13

Allocation of food and beverage taxes between county and city

Sec. 13. (a) Each month, the county auditor shall distribute the county food and beverage tax revenue received by the county treasurer between the city and the county according to the location where the county food and beverage tax was collected. If the county food and beverage tax was collected in the city, the city must receive the revenue. If the county food and beverage tax was collected in the part of the county that is outside the city, the county must receive the revenue.

(b) Distribution of county food and beverage tax revenue to the city must be on warrants issued by the county auditor.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-14

County food and beverage tax receipts fund; use of fund

Sec. 14. The county's share of county food and beverage tax revenue deposited in the county food and beverage tax receipts fund may be used only to finance, refinance, construct, operate, or maintain a convention center, a conference center, or related tourism or economic development projects.

As added by P.L.176-2009, SEC.21.

IC 6-9-41-15

City food and beverage tax receipts fund; use of fund

Sec. 15. Money deposited in the city food and beverage tax receipts fund may be used only to finance, refinance, construct, operate, or maintain a convention center, a conference center, or

related tourism or economic development projects.
As added by P.L.176-2009, SEC.21.

IC 6-9-41-16
Advisory commission

Sec. 16. (a) In order to coordinate and assist efforts of the county and city fiscal bodies regarding the utilization of food and beverage tax receipts, an advisory commission shall be established and composed of the following individuals:

(1) Three (3) members who are owners of retail facilities that sell food or beverages subject to the county food and beverage tax imposed under this chapter appointed by the city and county executive.
(2) The president of the county executive.
(3) A member of the county fiscal body appointed by the members of the county fiscal body.
(4) The city executive.
(5) A member of the city legislative body appointed by the members of the city legislative body.

(b) The county and city legislative bodies must request the advisory commission's recommendations concerning the expenditure of any food and beverage tax funds collected under this chapter. The county or city legislative body may not adopt any ordinance or resolution requiring the expenditure of food and beverage tax collected under this chapter without the approval, in writing, of a majority of the members of the advisory commission.
As added by P.L.176-2009, SEC.21.

IC 6-9-42

Chapter 42. Youth Sports Complex Admissions Tax

IC 6-9-42-1

"Complex"

Sec. 1. As used in this chapter, "complex" refers to a youth sports complex that:

(1) has:

(A) a multipurpose outdoor stadium with at least four thousand (4,000) seats;

(B) indoor sports facilities; and

(C) fields for baseball, soccer, softball, and lacrosse; and

(2) is located in a geographic area that has been annexed by the city before the adoption of an ordinance under section 2 of this chapter.

As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-2

Adoption of ordinance imposing the tax; application of tax

Sec. 2. (a) Except as provided in subsection (b), after June 30 of a year but before January 1 of the following year, a city fiscal body may adopt an ordinance to impose an excise tax, known as the youth sports complex admissions tax, for the privilege of attending an event at a complex.

(b) The admissions tax does not apply to the following:

(1) An event sponsored by an educational institution or an association representing an educational institution.

(2) An event sponsored by a religious organization.

(3) An event sponsored by a political organization.

(4) An event for which tickets are sold on a per vehicle or similar basis and not on a per person basis.

(c) If the fiscal body adopts an ordinance under subsection (a), the admissions tax applies to an event ticket purchased after:

(1) December 31 of the calendar year in which the ordinance is adopted; or

(2) a later date that is set forth in the ordinance.

(d) The tax terminates and may not be collected for events that occur after the city has satisfied any outstanding obligations described in section 7(d)(3) of this chapter.

As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-3

"Paid admission"; tax rate

Sec. 3. (a) As used in this section, "paid admission" refers to the price paid by each person who pays a price for admission to any event described in section 2(a) of this chapter. The term does not refer to persons who are entitled to be at an event without having paid a price for admission.

(b) The admission tax equals five percent (5%) of each paid admission to an event at the complex.

As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-4
Certification of ordinance imposing the tax to the city fiscal officer

Sec. 4. If the city fiscal body adopts an ordinance under section 2 of this chapter, it shall immediately send a certified copy of the ordinance to the city fiscal officer.
As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-5
Liability for tax

Sec. 5. (a) Each person who pays a price for admission to an event described in section 2(a) of this chapter is liable for the tax imposed under this chapter.

(b) The person who collects the price for admission to the complex shall also collect the admissions tax at the same time the price for admission is paid. In addition, the person shall collect the tax as an agent of the city in which the complex is located.
As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-6
Remitting of tax

Sec. 6. A person who collects the admissions tax under section 5 of this chapter shall remit the tax collections to the city fiscal officer. The person shall remit the revenues collected during a particular month before the twentieth day of the following month. At the time the tax revenues are remitted, the person shall file an admissions tax return on the form prescribed by the city fiscal body.
As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-7
City admissions tax fund; use of money in the fund

Sec. 7. (a) If a tax is imposed under this chapter, the city fiscal body shall establish a city admissions tax fund.

(b) The city fiscal officer shall deposit money received under section 6 of this chapter in the city admissions tax fund.

(c) Money earned from the investment of money in the city admissions tax fund becomes a part of the fund.

(d) Money in the city admissions tax fund may be used by the city only for the following:

(1) Costs to finance, construct, reconstruct, or improve:

(A) public thoroughfares or highways to improve ingress or egress to and from the complex;

(B) infrastructure, including water and wastewater improvements, serving the complex;

(C) the total cost of all land, rights-of-way, and other property to be acquired by the city for the complex; and

(D) site preparation, drainage, landscaping, and lighting.

(2) All reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and

supervisory expenses related to the acquisition and development of the property or the issuance of bonds.

(3) Payment of principal and interest on bonds issued, or lease rentals on leases entered into, by the city to finance the construction, reconstruction, or improvement identified under this subsection. Costs payable under this section include costs of capitalized interest and legal, accounting, and other costs incurred in the issuance of any bonds or the entering into of any leases.

(4) Payment of any access or connection fee imposed on the complex for access to the city's public sewer system, as long as the fee applies to all property owners served and is uniformly assessed within the city's corporate boundaries.

As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-8

Additional uses of tax revenue; bonds; leases

Sec. 8. (a) The city may:

(1) use revenues from the tax collected under this chapter to pay all or part of the costs associated with the improvements described in section 7(d) of this chapter;

(2) issue bonds, enter into leases, or incur other obligations to pay any costs associated with the improvements described in section 7(d) of this chapter;

(3) reimburse itself or any nonprofit corporation for any money advanced to pay those costs; or

(4) refund bonds issued or other obligations incurred under this chapter.

(b) Bonds or other obligations issued under this section:

(1) are payable from revenues under this chapter, any other revenues available to the city, or any combination of these sources, in accordance with a pledge made under IC 5-1-14-4;

(2) must be issued in the manner prescribed by IC 36-4-6-19 through IC 36-4-6-20;

(3) may, in the discretion of the city, be sold at a negotiated sale at a price to be determined by the city or in accordance with IC 5-1-11 and IC 5-3-1; and

(4) may be issued for a term not to exceed twenty-five (25) years, the term to apply to any refunding bonds issued to refund bonds originally issued under this section.

(c) Leases entered into under this section:

(1) may be for a term not to exceed twenty-five (25) years;

(2) may provide for payments from revenues under this chapter, any other revenues available to the city, or any combination of these sources;

(3) may provide that payments by the city to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;

(4) must be based upon the value of the facilities leased; and

(5) may not create a debt of the city for purposes of the Constitution of the State of Indiana.

(d) A lease may be entered into by the city only after a public hearing with notice given in accordance with IC 5-3-1 at which all interested parties are provided the opportunity to be heard. After the public hearing, the executive may approve the execution of the lease on behalf of the city only if the executive finds that the service to be provided throughout the life of the lease will serve the public purpose of the city and is in the best interests of its residents. A lease approved by the executive must also be approved by an ordinance of the city fiscal body.

(e) Upon execution of a lease under this section, and after approval of the lease by the city fiscal body, the executive shall publish notice of the execution of the lease and the approval of the lease in accordance with IC 5-3-1.

(f) An action to contest the validity of bonds issued or leases entered into under this section must be brought within thirty (30) days after the adoption of a bond ordinance or notice of the execution and approval of the lease, as applicable.

As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-9
State board of accounts audit

Sec. 9. The accounts, books, and records of the complex are subject to an annual financial and compliance audit by the state board of accounts.

As added by P.L.182-2009(ss), SEC.262.

IC 6-9-42-10
Covenant

Sec. 10. With respect to:

(1) bonds, leases, or other obligations to which the city has pledged revenues under this chapter; and

(2) bonds issued by a lessor that are payable from lease rentals;

the general assembly covenants with the city and the purchasers or owners of the bonds or other obligations described in this section that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter or the money deposited in the city admissions tax fund, as long as the principal of or interest on any bonds, or the lease rentals due under any lease, are unpaid.

As added by P.L.182-2009(ss), SEC.262.

IC 6-9-43

Chapter 43. Cloverdale Food and Beverage Tax

IC 6-9-43-1

Applicability

Sec. 1. This chapter applies to the town of Cloverdale.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-2

Applicable definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-3

Imposition of tax by ordinance

Sec. 3. (a) The fiscal body of the town may adopt an ordinance to impose an excise tax, known as the town food and beverage tax, on transactions described in section 4 of this chapter.

(b) If the fiscal body of the town adopts an ordinance under subsection (a), it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

(c) If the fiscal body of the town adopts an ordinance under subsection (a), the town food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance is adopted.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-4

Taxable transactions

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location, or on equipment, provided by a retail merchant;

(2) in the town in which the tax is imposed; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods that require cooking by the consumer (as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code to prevent food borne illnesses)); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins,

or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

(c) A town food and beverage tax imposed under section 3 of this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-5
Tax rate

Sec. 5. A town food and beverage tax imposed under section 3 of this chapter equals one percent (1%) of the gross retail income received by the retail merchant from the transaction. For purposes of this chapter, the gross retail income received by the retail merchant from such a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-6
Collection procedures

Sec. 6. The town food and beverage tax that may be imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the tax may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-7
Distribution of tax revenue

Sec. 7. If a tax is imposed under section 3 of this chapter, the amounts received from the tax shall be paid monthly by the treasurer of state to the town fiscal officer upon warrants issued by the auditor of state.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-8
Deposit of tax revenue

Sec. 8. (a) If a tax is imposed under section 3 of this chapter, the town fiscal officer shall establish a food and beverage tax receipts fund.

(b) The town fiscal officer shall deposit in this fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the fund becomes a part of the fund.

As added by P.L.157-2013, SEC.1.

IC 6-9-43-9
Use of tax revenue

Sec. 9. (a) Except as provided in subsection (b), money in the food and beverage tax receipts fund established under section 8 of this chapter shall be used by the town for the financing, construction, operation, or maintenance of the following:

(1) Sanitary sewers or wastewater treatment facilities.

(2) Drainage or flood control facilities.

(3) Water treatment, storage, or distribution facilities.

(b) The fiscal body of the town may pledge money in the food and beverage tax receipts fund to pay bonds issued, loans obtained, and lease payments or other obligations incurred by or on behalf of the town or a special taxing district in the town to provide the facilities described in subsection (a).

(c) Subsection (b) applies only to bonds, loans, lease payments, or other obligations that are issued, obtained, or incurred after the date on which the town food and beverage tax is imposed under section 3 of this chapter.

(d) A pledge under subsection (b) is enforceable under IC 5-1-14-4.

As added by P.L.157-2013, SEC.1.

IC 6-9-44

Chapter 44. Town of Fishers Food and Beverage Tax

IC 6-9-44-1

Applicability

Sec. 1. This chapter applies to the town of Fishers.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-2

Applicable definitions

Sec. 2. The definitions in IC 6-9-12-1 apply throughout this chapter.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-3

Imposition of tax by ordinance; separate hearing

Sec. 3. (a) The fiscal body of the town may adopt an ordinance on or before December 31, 2013, to impose an excise tax, known as the town food and beverage tax, on transactions described in section 4 of this chapter. The fiscal body of the town may adopt an ordinance under this subsection only after the fiscal body has previously held at least one (1) separate public hearing in which a discussion of the proposed ordinance to impose the town food and beverage tax is the only substantive issue on the agenda for that public hearing.

(b) If the town fiscal body adopts an ordinance under subsection (a), the town fiscal body shall immediately send a certified copy of the ordinance to the department of state revenue.

(c) If the town fiscal body adopts an ordinance under subsection (a), the town food and beverage tax applies to transactions that occur after the last day of the month that succeeds the month in which the ordinance is adopted.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-4

Taxable transactions

Sec. 4. (a) Except as provided in subsection (c), a tax imposed under section 3 of this chapter applies to a transaction in which food or beverage is furnished, prepared, or served:

(1) for consumption at a location or on equipment provided by a retail merchant;

(2) in the town; and

(3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

(1) served by a retail merchant off the merchant's premises;

(2) food sold in a heated state or heated by a retail merchant;

(3) made of two (2) or more food ingredients, mixed or combined by a retail merchant for sale as a single item (other

than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or

(4) food sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or package used to transport the food).

(c) The town food and beverage tax does not apply to the furnishing, preparing, or serving of a food or beverage in a transaction that is exempt, or to the extent the transaction is exempt, from the state gross retail tax imposed by IC 6-2.5.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-5

Tax rate

Sec. 5. The town food and beverage tax rate may not exceed one percent (1%) of the gross retail income received by the merchant from the food or beverage transaction described in section 4 of this chapter. For purposes of this chapter, the gross retail income received by the retail merchant from a transaction does not include the amount of tax imposed on the transaction under IC 6-2.5.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-6

Collection procedures

Sec. 6. A tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed with the payment of the tax imposed under this chapter may be made on a separate return or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-7

Distribution of tax revenue

Sec. 7. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the town fiscal officer upon warrants issued by the auditor of state.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-8

Deposit of tax revenue

Sec. 8. (a) If a tax is imposed under section 3 of this chapter by a town, the town fiscal officer shall establish a food and beverage tax receipts fund.

(b) The town fiscal officer shall deposit in this fund all amounts received under this chapter.

(c) Money earned from the investment of money in the fund becomes a part of the fund.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-9

Use of tax revenue

Sec. 9. Money in the food and beverage tax receipts fund shall be used by the town:

(1) to reduce the town's property tax levy for a particular year at the discretion of the town, but this use does not reduce the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for the town; or

(2) for economic development purposes, including the pledge of money under IC 5-1-14-4 for bonds, leases, or other obligations for economic development purposes.

Revenue derived from the imposition of a tax under this chapter may be treated by the town as additional revenue for the purpose of fixing its budget for the budget year during which the revenues are to be distributed to the town.

As added by P.L.157-2013, SEC.2.

IC 6-9-44-10

Covenants

Sec. 10. With respect to obligations for which a pledge has been made under section 9 of this chapter, the general assembly covenants with the holders of the obligations that this chapter will not be repealed or amended in a manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the payment of any of the obligations is outstanding.

As added by P.L.157-2013, SEC.2.