

# COMMITTEE REPORT

## MADAM PRESIDENT:

The Senate Committee on Commerce, Economic Development and Technology, to which was referred Senate Bill No. 421, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 15, begin a new paragraph and insert:  
2 "SECTION 1. IC 6-1.1-35.7 IS ADDED TO THE INDIANA CODE  
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2014]:  
5 Chapter 35.7. Assessor, Appraiser, and Tax Representative  
6 Standards of Conduct  
7 Sec. 1. As used in this chapter, "appraiser" has the meaning set  
8 forth in IC 6-1.1-31.7-1.  
9 Sec. 2. As used in this chapter, "tax representative" means a  
10 person who represents another person at a proceeding before the  
11 property tax assessment board of appeals or the department. The  
12 term does not include:  
13 (1) the owner of the property (or person liable for the taxes  
14 under IC 6-1.1-2-4) that is the subject of the appeal;  
15 (2) a permanent full-time employee of the owner of the  
16 property (or person liable for the taxes under IC 6-1.1-2-4)  
17 who is the subject of the appeal;  
18 (3) a representative of a local unit of government appearing  
19 on behalf of the unit;  
20 (4) a certified public accountant, when the certified public

1 accountant is representing a client in a matter that relates  
2 only to personal property taxation; or

3 (5) an attorney who is a member in good standing of the  
4 Indiana bar or any person who is a member in good standing  
5 of any other state bar and who has been granted leave by the  
6 department to appear pro hac vice.

7 **Sec. 3. (a) An individual who is a township assessor, a county**  
8 **assessor, an employee of the township assessor or county assessor,**  
9 **or an appraiser shall adhere to the Uniform Standards of**  
10 **Professional Appraisal Practice in the performance of the**  
11 **individual's duties.**

12 **(b) An individual who is a township assessor, a county assessor,**  
13 **an employee of the township assessor or county assessor, or an**  
14 **appraiser shall not do any of the following:**

15 **(1) Conduct an assessment that includes the reporting of a**  
16 **predetermined opinion or conclusion.**

17 **(2) Misrepresent the individual's role when providing**  
18 **valuation services that are outside the practice of property**  
19 **assessment.**

20 **(3) Communicate assessment results with the intent to mislead**  
21 **or defraud.**

22 **(4) Communicate a report that the individual knows is**  
23 **misleading or fraudulent.**

24 **(5) Knowingly permit an employee or other person to**  
25 **communicate a misleading or fraudulent report.**

26 **(6) Engage in criminal conduct.**

27 **(7) Willfully or knowingly violate the requirements of**  
28 **IC 6-1.1-35-9.**

29 **(8) Perform an assessment in a grossly negligent manner.**

30 **(9) Perform an assessment with bias.**

31 **(10) Advocate for an assessment. However, this subdivision**  
32 **does not prevent a township assessor, a county assessor, an**  
33 **employee of the county assessor or township assessor, or an**  
34 **appraiser from defending or explaining the accuracy of an**  
35 **assessment and any corresponding methodology used in the**  
36 **assessment at a preliminary informal hearing, during**  
37 **settlement discussions, at a public hearing, or at the appellate**  
38 **level.**

1           **Sec. 4. (a) A township assessor, a county assessor, an employee**  
2 **of the township assessor or county assessor, or an appraiser:**

- 3           **(1) must be competent to perform a particular assessment;**  
4           **(2) must acquire the necessary competency to perform the**  
5 **assessment; or**  
6           **(3) shall contract with an appraiser who demonstrates**  
7 **competency to do the assessment.**

8           **(b) The department may revoke the certification of a township**  
9 **assessor, a county assessor, an employee of the township assessor**  
10 **or county assessor, or an appraiser under 50 IAC 15 for gross**  
11 **incompetence in the performance of an assessment.**

12           **Sec. 5. (a) The department may revoke a certification issued**  
13 **under 50 IAC 15 for not more than three (3) years if the**  
14 **department determines by a preponderance of the evidence that**  
15 **the township assessor, county assessor, employee of the township**  
16 **assessor or county assessor, or appraiser violated any provision of**  
17 **this chapter.**

18           **(b) If an appraiser's certification is revoked:**

- 19           **(1) any contract for appraisal of property in Indiana that the**  
20 **appraiser has entered into is void; and**  
21           **(2) the appraiser may not receive any additional payments**  
22 **under the contract.**

23           **(c) A contract entered into by an appraiser for appraisal of**  
24 **property in Indiana must contain a provision specifying that the**  
25 **contract is void if the appraiser's certification is revoked under this**  
26 **chapter.**

27           **Sec. 6. A tax representative may not do any of the following:**

- 28           **(1) Use or participate in the use of any false, fraudulent,**  
29 **unduly influencing, coercive, unfair, misleading, or deceptive**  
30 **statement or claims with respect to any matter relating to the**  
31 **practice before the property tax assessment board of appeals**  
32 **or the department.**  
33           **(2) Knowingly misrepresent any information or act in a**  
34 **fraudulent manner.**  
35           **(3) Prepare documents or provide evidence in a property**  
36 **assessment appeal unless the representative is authorized by**  
37 **the property owner (or person liable for the taxes under**  
38 **IC 6-1.1-2-4) to do so and any required authorization form**

- 1 has been filed.
- 2 **(4) Knowingly submit false or erroneous information in a**
- 3 **property assessment appeal.**
- 4 **(5) Knowingly fail to use the appraisal standards and methods**
- 5 **required by rules adopted by the department, Indiana board,**
- 6 **or property tax assessment board of appeals when the**
- 7 **representative submits appraisal information in a property**
- 8 **assessment appeal.**
- 9 **(6) Knowingly fail to notify the property owner (or person**
- 10 **liable for the taxes under IC 6-1.1-2-4) of all matters relating**
- 11 **to the review of the assessment of taxpayers' property before**
- 12 **the property tax assessment board of appeals or the**
- 13 **department, including, but not limited to, the following:**
- 14 **(A) The tax representative's filing of all necessary**
- 15 **documents, correspondence, and communications with the**
- 16 **property tax assessment board of appeals or department.**
- 17 **(B) The dates and substance of all hearings, onsite**
- 18 **inspections, and meetings.**

19 **Sec. 7. The department may revoke the certification of a tax**  
 20 **representative for the following:**

- 21 **(1) Violation of any rule applicable to certification or practice**
- 22 **before the property tax assessment board of appeals, the**
- 23 **department, or the Indiana board.**
- 24 **(2) Gross incompetence in the performance of practicing**
- 25 **before the property tax assessment board of appeals, the**
- 26 **department, or the Indiana board.**
- 27 **(3) Dishonesty, fraud, or material deception committed while**
- 28 **practicing before the property tax assessment board of**
- 29 **appeals, the department, or the Indiana board.**
- 30 **(4) Dishonesty, fraud, material deception, or breach of**
- 31 **fiduciary duty committed against the tax representative's**
- 32 **employer or business associates.**
- 33 **(5) Violation of the standards of ethics or rules of solicitation**
- 34 **adopted by the department."**

35 Delete page 2.  
 36 Page 3, delete lines 1 through 30.  
 37 Page 4, line 24, reset in roman "The attorney general or the attorney  
 38 general's designee,".

- 1 Page 4, line 24, after "designee," insert "**as a nonvoting member.**".
- 2 Page 4, line 24, delete "An", begin a new line block indented and
- 3 insert:
- 4 "**(4) An**".
- 5 Page 4, line 30, strike "(4)" and insert "**(5)**".
- 6 Page 4, line 32, strike "(5)" and insert "**(6)**".
- 7 Page 4, line 34, strike "(a)(4) or".
- 8 Page 4, line 35, after "(a)(5)" insert "**or (a)(6)**".
- 9 Page 4, line 40, delete "(a)(4) or (a)(5)" and insert "**(a)(5) or (a)(6)**".
- 10 Page 6, line 5, after "must" insert "**not**".
- 11 Renumber all SECTIONS consecutively.  
(Reference is to SB 421 as introduced.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 7, Nays 0.

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**Buck**

**Chairperson**